The Council of the Regional Municipality of Peel

REVISED AGENDA

Date: Thursday, April 14, 2016

Time: 9:30 AM

Place: Council Chamber, 5th Floor
Regional Administrative Headquarters
10 Peel Centre Drive, Suite A
Brampton, Ontario

For inquiries about this agenda or to make arrangements for accessibility accommodations for persons attending, please contact: Christine Thomson at (905) 791-7800, ext. 4582 or by e-mail at christine.thomson@peelregion.ca. Copies of agendas and reports are available at www.peelregion.ca/council.

Some meeting information may also be available in alternate formats, upon request. Please contact Sharon Singh at (905) 791-7800, ext. 4320 or at sharon.singh@peelregion.ca

www.peelregion.ca
1. **ROLL CALL**

2. **DECLARATIONS OF CONFLICTS OF INTEREST**

3. **APPROVAL OF MINUTES**
   3.1. March 31, 2016 Regional Council meeting

4. **APPROVAL OF AGENDA**

5. **DELEGATIONS**
   5.1. Shelley White, President and Chief Executive Officer, United Way of Peel Region, to Recognize the Contributions of the United Way of Peel Region for 2015 through both the Peel Employees’ United Way Campaign and Peel Regional Police United Way Campaign (See also Items Related to Enterprise Programs and Services – Item 10.6)

   5.2. Shelley White, President and Chief Executive Officer, and Anita Stellinga, Vice President, Community Investment, United Way of Peel Region, Regarding Youth Homelessness within the Community, Gaps in Services and Possible Solutions (See also Items Related to Human Services – Item 9.2)

   5.3. Mirian Sansalone, Resident, Regarding Advocacy for the Passenger Assist Program (See also Items Related to Public Works – Item 6.1)

6. **ITEMS RELATED TO PUBLIC WORKS**
   *Chaired by Councillor R. Starr or Vice-Chair Councillor A. Groves*

   6.1. TransHelp Eligibility Policy (See also Delegations – Item 5.3)
       Presentation by David Margiotta, Program Manager and Aislin O’Hara, Project Advisor, Accessible Transportation

7. **ITEMS RELATED TO HEALTH**
   *Chaired by Councillor E. Moore or Vice-Chair Councillor G. Gibson*

   7.1. Update on Proposed Provincial Changes Under the *Smoke-Free Ontario Act* and the *Electronic Cigarettes Act, 2015*

8. COMMUNICATIONS

8.1. Dr. Eric Hoskins, Minister of Health and Long-Term Care, Letter dated March 31, 2016, Regarding the Approval of Dr. Lawrence Loh’s Appointment as Associate Medical Officer of Health for the Region of Peel (Receipt recommended)

9. ITEMS RELATED TO HUMAN SERVICES
Chaired by Councillor G. Miles or Vice-Chair Councillor J. Tovey

9.1. Rent Supplements for the Homelessness Partnering Strategy Housing First Pilot Project (For information)

9.2. Youth Homelessness in Peel – Update (See also Delegations – Item 5.2) Presentation by Grace Caron, Director, Client Relationships and Community Access

10. ITEMS RELATED TO ENTERPRISE PROGRAMS AND SERVICES
Chaired by Councillor C. Fonseca or Vice-Chair Councillor M. Medeiros

10.1. 2016 Final Levy By-law (See also By-law 28-2016)

10.2. 2015 Operating Financial Triannual Performance Report - Year End (Unaudited) Presentation by Rob Elliot, Director, Business and Financial Planning

10.3. 2015 Capital Performance and Impact on Capital Reserves and Reserve Fund (For information)

10.4. Financial Policies Compliance Update - December 31, 2015 (For information)

10.5. 2016 Development Charge Adequacy Update (For information)

10.6. Recognizing Employee Volunteer Hours and the 2015 Region of Peel Employee United Way Campaign (See also Delegations – Item 5.1)

10.7. Update on the Region of Peel's Energy and Environment Sustainability Strategy

10.8. Public Sector Network (PSN) Update and Budget

10.9. Implementation Services for OpenText Platform

11. COMMUNICATIONS

11.1. The Association of Municipalities of Ontario (AMO) and Local Authority Services (LAS), Email dated February 9, 2016, Requesting that Regional Council Support the AMO/LAS Request for Broader Municipal Investment Powers (Direction required)

12. OTHER BUSINESS
NOTICES OF MOTION

BY-LAWS

By-law 28-2016: A by-law to adopt estimates of all sums required during the year 2016 for the purposes of the Regional Corporation and to provide a general levy and special levies on lower-tier municipalities. (See also Items Related to Enterprise Programs and Services – Item 10.1)

IN CAMERA MATTERS

Approval of Minutes

15.1. March 31, 2016 Closed Session Report


Staff Reports

15.3. Interest Arbitration Award (Labour relations or employee negotiations)

BY-LAW TO CONFIRM THE PROCEEDINGS OF COUNCIL

ADJOURNMENT
Regional Chair Dale called the meeting of Regional Council to order at 9:35 a.m. in the Council Chamber, Regional Administrative Headquarters, 10 Peel Centre Drive, Suite A, Brampton.

1. **ROLL CALL**

Members Present:
- G. Carlson
- B. Crombie*
- F. Dale
- J. Downey
- C. Fonseca*
- G. Gibson
- A. Groves
- N. Iannicca
- J. Innis
- L. Jeffrey
- J. Kovac
- M. Mahoney
- S. McFadden
- M. Medeiros
- G. Miles
- E. Moore
- M. Palleschi
- C. Parrish
- K. Ras
- P. Saito
- B. Shaughnessy
- J. Sprovieri
- R. Starr
- A. Thompson
- J. Tovey

Members Absent: Nil

Also Present:
- D. Szwarc, Chief Administrative Officer; G. Sabat, Commissioner of Service Innovation, Information and Technology; L. Graham-Watson, Commissioner of Corporate Services; S. VanOfwegen, Commissioner of Finance and Chief Financial Officer; P. O’Connor, Regional Solicitor and Director of Legal Services; D. Labrecque, Commissioner of Public Works; J. Sheehy, Commissioner of Human Services; J. Smith, Commissioner of Health Services; Dr. E. deVilla, Medical Officer of Health; K. Lockyer, Regional Clerk and Director of Clerk’s; C. Thomson, Legislative Specialist; S. Singh, Legislative Technical Coordinator; V. Montesdeoca, Legislative Technical Coordinator

2. **DECLARATIONS OF CONFLICTS OF INTEREST** - Nil

* See text for arrivals
* See text for departures
3. **APPROVAL OF MINUTES**

3.1. **March 10, 2016 Regional Council meeting**

Moved by Councillor Iannicca, Seconded by Councillor Moore;

That the minutes of the March 10, 2016 Regional Council meeting be amended to reflect Councillor Jeffrey’s absence as due to a personal matter;

And further, that the minutes of the March 10, 2016 Regional Council meeting be approved, as amended.

Carried 2016-234

4. **APPROVAL OF AGENDA**

Moved by Councillor Downey, Seconded by Councillor Carlson;

That the agenda for the March 31, 2016 Regional Council meeting include an additional item regarding the ice storm in Caledon on March 24, 2016, to be dealt with under Other Business – Item 13.1;

And further, that the agenda for the March 31, 2016 Regional Council meeting include an additional item regarding an update on Youth Homelessness, to be dealt with under Items Related to Human Services – Item 7.4;

And further, that the agenda for the March 31, 2016 Regional Council meeting include an additional item regarding Downtown Brampton Regional Infrastructure Projects, to be dealt with under Items Related to Public Works - Item 11.5;

And further, that the agenda for the March 31, 2016 Regional Council meeting include an additional item regarding an update on the Governance Review Task Force, to be dealt with under Other Business – Item 13.2;

And further, that the agenda for the March 31, 2016 Regional Council meeting be approved, as amended.

Carried 2016-235

See also Resolutions 2016-248, 2016-258 and 2016-260 to 2016-262 inclusive

David Szwarc, Chief Administrative Officer, introduced Janice Sheehy, Commissioner of Human Services, who has joined the Region of Peel after working 26 years in progressive public service roles at both the provincial and municipal level. He also recognized Gayle Bursey for her support to Council and the Executive Leadership Team while serving as Acting Commissioner of Human Services.

Councillor Miles, on behalf of Regional Council, thanked Gayle Bursey for her work as Acting Commissioner and extended best wishes in her new role at the Region of Peel as Director of Growth Management Strategy.
5. DELEGATIONS

5.1. Joan Kaczmarski, Director, Early Years System, Ann Iannarelli, Manager, Early Childhood Education Resource Services, Community Living Mississauga and Lindsay Hillier, Manager, Training and Quality Assurance, Blind-Low Vision Early Intervention Program Surrey Place, informing Regional Council of the Region of Peel Receiving the Bronze Public Sector Leadership Award from the Institute of Public Administration of Canada (IPAC)

See also Resolutions 2016-236 to 2016-239 inclusive

Joan Kaczmarski, Director, Early Years System, advised that the Peel Inclusion Resource Services (PIRS) initiative received the Bronze Public Sector Leadership Award from the Institute of Public Administration of Canada (IPAC) and Deloitte for its collaborative and innovative new service delivery model. PIRS builds the capacity of licensed child care providers to support inclusive programs for children with both diagnosed and undiagnosed special needs. It was co-created by six special needs program partners committed to breaking the silos and leveraging their collective resources and focuses on coaching centre staff to strengthen their ability to provide more effective and inclusive services to more children with different abilities. Each partner agency worked together to develop common tools and approaches to ensure consistent supports to child care providers across the system.

Councillor Miles recognized the work of Region of Peel staff in raising the bar for child care in the Region of Peel, noting that PIRS is an excellent example of what can be achieved through collaboration with partners and the willingness to think “outside the box”. She commended the provincial government contributions to improving child care and early learning systems through support and funding. She requested that the Regional Chair, on behalf of Regional Council, write to the Minister of Education to highlight the results of the work the Region of Peel was able to undertake in collaboration with partners.

Several Members of Regional Council commended staff for their efforts and enthusiasm for helping children in the Region of Peel.

Councillor Tovey recognized Councillor Miles for her leadership on the Early Learning and Child Care Task Force.

Councillor Moore suggested that there may be roles for the area municipalities with respect to issues of inclusion in their programs.

Councillor Fonseca arrived at 9:40 a.m.

Items Related to Human Services – Items 7.1 to 7.3 inclusive were dealt with.

7.1. Early Years and Child Care System in Peel: 2015 Outcomes and 2016 Modernization Initiatives

See also Resolutions 2016-236, 2015-238 and 2016-239
7.2. **Proposed Allocation of Increased 2016 Provincial Funding For Early Years and Child Care Modernization Initiatives**

Moved by Councillor Miles,  
Seconded by Councillor Moore;

That the 2016 Early Years and Child Care (EYCC) gross expenditures and revenues be increased by $4.4 million, as a result of additional provincial funding;

And further, that the proposed 2016 EYCC funding allocation approach, as described in the report of the Commissioner of Human Services, titled “Proposed Allocation of Increased 2016 Provincial Funding for Early Years and Child Care Modernization Initiatives”, be approved;

And further, that the Acting Commissioner of Human Services or designate be authorized to allocate in-year, the annual approved EYCC Budget to maximize funding flexibility and best meet system need and support outcomes;

And further, that the Commissioner of Human Services or designate be authorized to allocate wage enhancement administration funding to providers to support their wage enhancement administrative needs, as per provincial direction.

Carried 2016-238

See also Resolutions 2016-236, 2016-237 and 2016-239

7.3. **Formation of Ontario Early Years Child and Family Centres**

Received 2016-239

See also Resolutions 2016-236 to 2016-238 inclusive

6. **ITEMS RELATED TO HEALTH**

*Chaired by Councillor E. Moore*

6.1. **Promoting Smoke-Free Affordable Housing in Peel**

Moved by Councillor Miles,  
Seconded by Councillor Shaughnessy;

That a comprehensive approach to promote smoke-free affordable housing in the Region of Peel, be developed.

Carried 2016-240

6.2. **Health Services Volunteer Satisfaction Survey Results**

Received 2016-241
6.3. **Service Accountability Agreement for Long-Term Care Homes**

Moved by Councillor Mahoney,
Seconded by Councillor McFadden;

That the Regional Corporation’s duly authorized signing officers execute the 2016-2019 Long Term Care Service Accountability Agreements (LSAAs) with the Mississauga Halton and Central West Local Health Integration Networks (LHINs) in respect of the long term care homes for which the Region of Peel holds the license to operate as issued by the Ministry of Health and Long-Term Care;

And further, that the Region’s signing officers and the Director of Long Term Care be authorized to sign the Compliance Declarations required by the LSA A, provided that they are satisfied that the Compliance Declaration for each compliance period is appropriate;

And further, that the Director of Long Term Care be authorized to sign all reports required to fulfill the Region’s reporting obligations to the LHINs under the LSA A.

**Carried** 2016-242

6.4. **Overview of the Regulation and Management of Outdoor Air Quality in Canada**

Received 2016-243

In response to a question from Councillor Groves, the Medical Officer of Health confirmed that fine particulate matter would be included in the air quality monitoring.

Councillor Thompson highlighted the need to monitor the impact of the aggregate industry on air quality.

6.5. **Proposed Allocation of Temporary Funding for Community Support Services**

Moved by Councillor McFadden,
Seconded by Councillor Carlson;

That $1.52 million be allocated from the forecasted surplus to operate enhanced and expanded Adult Day Services at four existing Region of Peel sites until June 30, 2017;

And further, that staff continue to explore future opportunities for the utilization of the four temporary interim beds.

**Carried** 2016-244

6.6. **Status Update of the Peel Regional Paramedics Services Facility Implementation Plan**

Received 2016-245

In response to a question from Councillor Parrish, the Commissioner of Health Services advised that the 10 Year Paramedic Facility Implementation Plan 2008 to 2017 initially
identified the need for 25 additional stations at an estimated cost of $72 million. She noted that staff were directed by Regional Council to maximize existing land owned by the Region of Peel and area municipalities therefore, land costs were not included in the estimates. Ten stations are currently operating with the bulk of the remaining stations in design or construction, and the total revised estimated cost is $100 million, based on increased construction costs and the need to purchase land for some sites, over the 2009 estimate. The Commissioner noted that additional stations will be required as the new communities are built and population increases.

Councillor Parrish requested that future reports to Regional Council regarding projects approved during previous terms of Regional Council include detailed financial information to assist Councillors who were not part of the original decision making process.

The Commissioner of Health Services undertook to provide all Members of Regional Council with a map depicting the locations of the paramedic facilities.

Janette Smith, Commissioner of Health Services, confirmed that staff regularly examine paramedic call volume data and modify the facility implementation plan as required. Deployment of rapid response units with a single paramedic are also used to ensure timely responses in high call volume areas.

7. ITEMS RELATED TO HUMAN SERVICES
   Chaired by Councillor G. Miles

7.1. Early Years and Child Care System in Peel: 2015 Outcomes and 2016 Modernization Initiatives
     This item was dealt with under Resolution 2016-237

7.2. Proposed Allocation of Increased 2016 Provincial Funding For Early Years and Child Care Modernization Initiatives
     This item was dealt with under Resolution 2016-238

7.3. Formation of Ontario Early Years Child and Family Centres
     This item was dealt with under Resolution 2016-239

Additional Item – Item 7.4:

7.4. Update on Youth Homelessness (Oral)
     This item was deal with under Resolution 2016-248

8. COMMUNICATIONS

     Received 2016-246

     See also Resolution 2016-247
Moved by Councillor Miles,  
Seconded by Councillor Saito;

That staff report to a future meeting of Regional Council highlighting Peel Children and Youth Initiative’s (PCYI) outcomes and achievements and providing a detailed review of its funding model since its inception;

And further, that the future report include details related to the amount of Early Years funding available to support the PCYI.

Carried 2016-247

See also Resolutions 2016-235 and 2016-246

Councillor Miles stated that when representatives from the Peel Children and Youth Initiative (PCYI) delegated to Regional Council, they requested that the Region of Peel provide funding for the initiative. At that time, Regional Council directed staff to write to the Province of Ontario to convey the successes of the PCYI and to advocate for increased funding to address the needs of children over the age of six years. She noted that efforts to secure increased funding have been unsuccessful. She requested that staff report to a future meeting of Regional Council on outcomes and achievements and provide a detailed review of its funding model since its inception.

Councillor Saito requested that the future report to Regional Council include details related to the amount of Early Years funding available to support the PCYI. Councillor Saito further requested that the annual report on children and youth include a chart illustrating the funds spent on the various programs.

Councillor Crombie arrived at 10:25 a.m. (Other municipal business)

Additional Item – Item 7.4 was dealt with.

7.4. Update on Youth Homelessness (Oral)

Received 2016-248

See also Resolution 2016-235

Councillor Miles advised that the collaborative group formed to develop options for the consideration of Regional Council related to addressing the issue of youth homelessness has held two meetings and that staff are working on developing short term solutions. She stated that the development of a long term solution is complex and involves several different funding bodies. In addition to the need for shelter beds, there is a need to ensure adequate supports for youth are in place. Staff will be reporting to the April 14, 2016 Regional Council meeting with recommendations for a short term solution.

Councillor Parrish suggested that there should be a substantial emergency fund established to address immediate needs such as shelter beds for youth and requested that vacant schools be considered as potential shelter sites.
9. ITEMS RELATED TO ENTERPRISE PROGRAMS AND SERVICES  
Chaired by Councillor C. Fonseca

9.1. 2015 Statement of Remuneration and Expenses  
Received 2016-249

9.2. 2016 Debenture Borrowing Approval  
Moved by Councillor Tovey,  
Seconded by Councillor Crombie;  
That the Commissioner of Finance and Chief Financial Officer ("CFO") be authorized to negotiate the issuance of debentures in the maximum principal amounts of up to $200 million for Regional purposes and a further $37.584 million on behalf of the City of Mississauga, as well as $3.1 million on behalf of the Town of Caledon, all for a term not to exceed 11 years, to be issued in 2016.  
Carried 2016-250

9.3. Mental Health, Work-Related Stress and Post Traumatic Stress Disorder Supports for Peel Regional Paramedics  
Received 2016-251

The Commissioner of Corporate Services was requested by Councillor Parrish to report to a future meeting of Regional Council with information related to the average amount of additional time off taken by paramedics as a result of work related stress and the number of paramedics who did not return to work.

At the request of Councillor Parrish, the Commissioner of Corporate Services was directed to provide Members of Regional Council with a copy of the full employee engagement survey.

Councillor Saito noted that if Bill 163, Supporting Ontario’s First Responder’s Act, 2016 is passed by the provincial legislature, it will take considerable time to implement its recommendations. She stated that the Region of Peel wants to enhance prevention and treatment options for post-traumatic stress disorder, whether or not the legislation is approved. The Commissioner of Corporate Services confirmed that staff are undertaking prevention measures and would be reporting to Regional Council with an analysis of Bill 163, when available.

Councillor Fonseca suggested that further exploration of the neutral responses to the employee engagement survey should be undertaken when revising the survey, noting that the neutral responses related to job satisfaction and commitment have remained consistent over the years the survey was conducted. Councillor Fonseca further stated that when dealing with mental health issues from a prevention standpoint, mandatory training should be conducted in a face to face setting instead of electronic learning.

Councillor Fonseca requested that the future report to Regional Council include information on the outcomes of the Road to Mental Readiness (R2MR) training for paramedics.
10. COMMUNICATIONS


Received 2016-252

10.2. Kathy Stranks, Senior Manager, Corporate Secretariat, Toronto and Region Conservation Authority (TRCA), Letter dated February 12, 2016, Providing a Copy of the TRCA Report titled, “Great Lakes Protection Act and Implementation Strategy”

Received 2016-253

11. ITEMS RELATED TO PUBLIC WORKS

Chaired by Councillor R. Starr

11.1. Region of Peel Storm Sewer Infrastructure Inventory Collection and GIS Mapping Services, Capital Project 09-4002, Document Number 2015-597P

Moved by Councillor Ras,
Seconded by Councillor Tovey;

That the contract (Document 2015-597P) for the Region of Peel Storm Sewer Infrastructure Inventory Collection and GIS Mapping, be awarded to Andrews Infrastructure in the estimated amount of $640,525 (excluding applicable taxes), under Capital Project 09-4002, in accordance with Purchasing By-law 113-2013.

Carried 2016-254

11.2. Water Treatment and Quality - 2015 Annual Summary Report and Regulatory Program Update

Received 2016-255

In response to a question from Councillor Sprovieri, Mark Schiller, Executive Director, Water and Wastewater, advised that most homes in the Region of Peel with lead pipes have had the municipal portion of the pipes replaced and that staff continue to monitor the few remaining homes with lead pipes.

The Commissioner of Public Works was requested by Councillor Parrish to provide her with information related to any focus testing conducted in the Malton area where homes were built prior to 1960.

Moved by Councillor Kovac,
Seconded by Councillor Iannicca;

That the contract (Document 2015-639P) for professional engineering services for the detailed design and contract administration for the Burnhamthorpe Road watermain and related local watermain and sanitary sewers, be awarded to Hatch Mott MacDonald Ltd. in the estimated amount of $9,749,270.62 (excluding applicable taxes), under Capital Projects 13-1125, 15-1113, 15-1114, 15-2111, 15-2241, 16-1110, 16-1118, 16-1128, 16-2121, 16-2122, 16-2243, in accordance with Purchasing By-law 113-2013.

Carried 2016-256

Councillor Kovac requested that Region of Peel and City of Mississauga staff coordinate notices to the public regarding disruptive work being undertaken simultaneously in the same area.

11.4. **Residential Water and Sewer Line Warranty Protection Plan**

Moved by Councillor Miles,
Seconded by Councillor McFadden;

That the Region of Peel enter into an agreement for residential water/wastewater warranty protection plans with Service Line Warranties of Canada, Inc. for an initial two year period, with a maximum of two five year options for extension, such extensions subject to Regional Council approval based upon a review of the overall success of the program;

And further, that Regional staff report back to Regional Council prior to the end of the initial two year period of the agreement on whether the program is meeting the customer service and performance metrics as outlined in the agreement;

And further, that the Commissioner of Public Works be authorized to execute the agreement finalized with Service Line Warranties of Canada, Inc. for residential water/wastewater warranty protection plans, together with such further ancillary documents that may be required, all in a form satisfactory to the Commissioner of Public Works and the Regional Solicitor.

Carried 2016-257

Councillor Starr inquired as to the benefits of the Residential Water and Sewer Line Warranty Protection Plan, noting that it does not provide coverage to homeowners for restorative work.

Dan Labrecque, Commissioner of Public Works stated that the Plan does not provide complete coverage to homeowners, and that staff would monitor any feedback received and provide recommendations to Regional Council regarding the continuation of the plan. He
further undertook to provide all Members of Regional Council with any marketing material available to the public.

**Additional Item – Item 11.5:**

11.5. **Downtown Brampton Regional Infrastructure Projects (Oral)**

Received 2016-258

See also Resolution 2016-235

Councillor Moore advised that downtown Brampton experiences catastrophic watermain breaks each year resulting in emergency repairs. She inquired if staff requires direction from Regional Council to commence infrastructure works in downtown Brampton.

Dan Labrecque, Commissioner of Public Works, advised that community consultations are expected to commence later in 2016, with construction planned to commence in 2017.

12. **COMMUNICATIONS**


Received 2016-259

The Commissioner of Public Works advised that the first public consultation had been held and over 60 written responses were received. Staff will be reporting to the May 19, 2016 Growth Management Committee meeting with a discussion paper to obtain input from the committee. He confirmed that Region of Peel staff would not be participating in planning infrastructure until Regional Council has made its decision.

13. **OTHER BUSINESS**

**Additional Item – Items 13.1 and 13.2:**

13.1. **Resolution Regarding the Ice Storm on March 24, 2016 in Caledon**

Moved by Councillor Thompson,
Seconded by Councillor Shaughnessy;

Whereas the Region of Peel experienced an ice storm on March 24, 2016 which was particularly severe in the Town of Caledon;

And whereas, there were power outages throughout the Region of Peel with particularly lengthy periods of power outages in areas of the Town of Caledon;

And whereas, there was considerable damage to trees which has resulted in a large amount of debris and yard waste, particularly in the Town of Caledon;
Therefore be it resolved, that fees at Peel Community Recycling Centres be waived for the drop-off of dedicated loads of domestic food waste and storm-related downed tree debris;

And further, that The Regional Municipality of Peel commence additional yard waste collection in the affected areas in the Town of Caledon on Fridays, starting the week of April 4, 2016 every week for a six week period, ending on Friday, May 13, 2016, and then resume the regular yard waste pickup schedule the week of May 16, 2016;

And further, that yard waste size restrictions be maintained;

And further, that the Commissioner of Public Works work with the Town of Caledon to provide reasonable and co-ordinated support for managing the storm debris clean-up which may include the removal of chipped tree debris;

And further, that a copy of this resolution be forwarded to the Town of Caledon.

Carried 2016-260

See also Resolution 2016-235

Councillor Thompson thanked Region of Peel Public Works staff who worked through the weekend to clear roads affected by the recent ice storm so that hydro lines could be repaired.

13.2. Update on the Governance Review Task Force Committee (Oral)

Moved by Councillor Miles,
Seconded by Councillor Saito;

That the Governance Review Task Force keep Members of Council informed by providing Agendas, Minutes and reports to meetings of Regional Council;

And further, that Members of Regional Council may attend Governance Review Task Force meetings.

Carried 2016-262

See also Resolutions 2016-235 and 2016-261

Councillor Miles requested an update on the work of the Governance Review Task Force and was advised by the Regional Clerk that a facilitator has been retained by the Governance Review Task Force. A schedule of Governance Review Task Force meetings was sent to all of Council together with a letter of introduction from the Facilitator. In addition, in accordance with Council’s direction and the RFP of the Facilitator, meetings with individual Councillors have been scheduled with the Facilitator. The Task Force will be reporting to Regional Council with recommendations following those consultations and the series of scheduled facilitated meetings.
Members of Regional Council highlighted the need for all members to be aware of the information being considered by the Task Force, noting that the perspective of Task Force members may not reflect the position of the entire Regional Council.

**Additional Item:**

**Appreciation to Staff (Oral)**

The Commissioner of Public Works was requested by Councillor Ras to convey her appreciation to Gino Piscelli, Technical Analyst, Environmental Education, for his assistance at the community meeting held on March 30, 2016.

14. **NOTICES OF MOTION** - Nil

15. **BY-LAWS** – Nil

16. **IN CAMERA MATTERS**

At 12:03 p.m., in accordance with section 239(2) of the Municipal Act, 2001, as amended, the following motion was placed:

Moved by Councillor Thompson,
Seconded by Councillor Sprovieri;

That Council proceed "In Camera" to consider Council reports relating to the following:

- Payment of Compensation Pursuant to the Expropriations Act, R.S.O. 1990, C.E. 26 Regional Road 8 (The Gore Road) Widening from Regional Road 107 (Queen Street East) to Castlemore Road - City of Brampton, Ward 10 (A proposed or pending acquisition or disposition of land by the municipality or local board)

- Update on Environmental Review Tribunal proceedings and Increase of retainer with Willms & Shier Environmental Lawyers LLP (litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board)

Carried 2016-264

Moved by Councillor Palleschi,
Seconded by Councillor Moore;

That Council proceed out of “In Camera”.

Carried 2016-265

Council moved out of closed session at 12:13 p.m.
16.1. **Payment of Compensation Pursuant to the Expropriations Act, R.S.O. 1990, C.E. 26 Regional Road 8 (The Gore Road) Widening from Regional Road 107 (Queen Street East) to Castlemore Road - City of Brampton, Ward 10 (A proposed or pending acquisition or disposition of land by the municipality or local board)**

Moved by Councillor Thompson, 
Seconded by Councillor Starr;

That The Regional Municipality of Peel enter into a Final Compensation Agreement with James Colalillo, as Owner, for the full and final settlement and release of all claims arising from the expropriation of the Owner’s fee simple interest in the lands described as Part of Lot 10, Concession 10 Northern Division, City of Brampton (formerly Township of Toronto Gore), Regional Municipality of Peel, being more particularly identified as Parts 1, 2, 3, and 4 on Expropriation Plan PR1711938;

And further, that the funds be financed from Capital Project 07-4030.

Carried 2016-266

16.2. **Update on Environmental Review Tribunal proceedings and Increase of retainer with Willms & Shier Environmental Lawyers LLP (litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board)**

Moved by Councillor Thompson, 
Seconded by Councillor Starr;

That the retainer with Willms & Shier Environmental Lawyers LLP (Document No. 2013-568N) for the representation of the Region of Peel in proceedings before the Environmental Review Tribunal involving the deposit of waste at the Keswick Presbyterian Church, be increased by an additional $350,000.00, (excluding applicable taxes), in accordance with Purchasing By-law 113-2013.

Carried 2016-267

17. **BY-LAW TO CONFIRM THE PROCEEDINGS OF COUNCIL**

Moved by Councillor Medeiros, 
Seconded by Councillor Mahoney;

The By-law 27-2016 to confirm the proceedings of Regional Council at its meeting held on March 31, 2016, and to authorize the execution of documents in accordance with the Region of Peel by-laws relating thereto, be given the required number of readings, taken as read, signed by the Regional Chair and the Regional Clerk, and the corporate seal be affixed thereto.

Carried 2016-268
18. ADJOURNMENT

The meeting adjourned at 12:16 p.m.

__________________________________________
Regional Clerk

__________________________________________
Regional Chair
Internal Request for Award Presentation at Regional Council

FOR OFFICE USE ONLY
Meeting Name: 
Meeting Date: 
Request Date: 16/03/2016

Main Departmental Contact Information
Name: Judy Labelle
Department: Health Services
Division: SPPI
Section: 
Ext. 2410

Award Presentation Information
Provide a brief summary of the nature/purpose of the award presentation
To acknowledge employee contributions to the United Way of Peel Region (UWPR) through both the 2015 Peel Region Employee United Way (UW) Campaign and the 2015 Peel Regional Police UW Campaign; and to recognize Peel's 2015 Employee UW Campaign being awarded with UWPR's 2015 Labour Award of Distinction.

Provide a list of all participants
Name: Shelley White
Title: President and Chief Executive Officer
Organization: United Way of Peel Region (UWPR)

Provide details of what is to be presented (Photo, Award, Cheque, Plaque, etc.)
Cheque: Members of Council, David Szwarc (CAO), Region of Peel and Peel Regional Police. Presenters include 2015 Peel Region Co-Chairs Grace Gyles & Kelly-Anne Salerno, plus Peel Regional Police's UW Coordinator Constable John Carrabs (the campaign executive chairs might also attend: Inspectors Sean McKenna and Scott Sharman). Cheque for sum raised in 2015 will be presented to UWPR's Shelley White.
Award and Plaques: from UWPR presented to Region of Peel employees for "Labour Award of Distinction for the Public Sector", recognizing CUPE 966, ONA, OPSEU 277, OPSEU 280, and UFCW 175 (One rep from each union invited to come forward to receive their plaque).

Describe the format of your presentation (Power Point, DVD, VHS, Display, etc.)
Verbal only
* If the presentation is Power Point will it be provided in hard copy
   [ ] Yes [ ] No
* If you replied YES to the above, please prepare your handouts as follows:
   - Two slides per page, double-sided, stapled, three-hole punched, 45 copies
   - Provide the material, at a minimum, the day before the meeting to Legislative Services

Will there be a photo opportunity?
[ ] Yes [ ] No

Who have you contacted in Communication Services regarding this award presentation?
Name: Chris Gaspic
Ext. 4669

Will circulation of any materials to Councillors at the time of the presentation be required?
[ ] Yes [ ] No
Request for Delegation

Attention: Regional Clerk
Regional Municipality of Peel
10 Peel Centre Drive, Suite A
Brampton, ON L6T 4B9
Phone: 905-791-7800 ext. 4582 Fax: 905-791-1693
E-mail: council@peelregion.ca

MEETING DATE YYYY/MM/DD
2016/04/14
MEETING NAME Regional Council

REQUEST DATE YYYY/MM/DD
2016/04/08

NAME OF INDIVIDUAL(S)
Shelley White

POSITION/TITLE
President and CEO

NAME OF ORGANIZATION
United Way of Peel Region

E-MAIL
swhite@unitedwaypeel.org

TELEPHONE NUMBER

EXTENSION

FAX NUMBER

NAME OF INDIVIDUAL(S)
Anita Stellinga

POSITION/TITLE
Vice President, Community Investment

NAME OF ORGANIZATION
United Way of Peel Region

E-MAIL
astellinga@unitedwaypeel.org

TELEPHONE NUMBER

EXTENSION

FAX NUMBER

REASON(S) FOR DELEGATION REQUEST (SUBJECT MATTER TO BE DISCUSSED)
During this delegation, United Way of Peel Region will discuss the issue of youth homelessness within our community, gaps in services, and possible solutions. Peel Region needs effective services that meet the specific needs of homeless youth, and approaches that are meaningful, appropriate and provide intensive models of supports. Youth participation in programs and services development is key. The Government of Ontario has also outlined youth homelessness as a priority within the Local Poverty Reduction Fund Investments.

I AM SUBMITTING A FORMAL PRESENTATION TO ACCOMPANY MY DELEGATION
☐ YES ☒ NO

IF YES, PLEASE ADVISE OF THE FORMAT OF YOUR PRESENTATION (ie POWERPOINT)

Note:
Delegates are requested to provide an electronic copy of all background material / presentations to the Clerk's Division at least seven (7) business days prior to the meeting date so that it can be included with the agenda package. In accordance with Procedure By-law 100-2012, as amended, delegates appearing before Regional Council or Committee are requested to limit their remarks to 5 minutes and 10 minutes respectively (approximately 5/10 slides).

Once the above information is received in the Clerk's Division, you will be contacted by Legislative Services staff to confirm your placement on the appropriate agenda. Thank you.

Notice with Respect to the Collection of Personal Information
(Municipal Freedom of Information and Protection of Privacy Act)
Personal information contained on this form is authorized under Section IV-4 of the Region of Peel Procedure By-law 100-2012 as amended, for the purpose of contacting individuals and/or organizations requesting an opportunity to appear as a delegation before Regional Council or a Committee of Council. The Delegation Request Form will be published in its entirety with the public agenda. The Procedure By-law is a requirement of Section 238(2) of the Municipal Act, 2001, as amended. Please note that all meetings are open to the public except where permitted to be closed to the public under legislated authority. All Regional Council meetings are audio broadcast via the internet and will be video broadcast on the local cable television network where video files will be posted and available for viewing subsequent to those meetings. Questions about collection may be directed to the Manager of Legislative Services, 10 Peel Centre Drive, Suite A, 5th floor, Brampton, ON L6T 4B9, (905) 791-7800 ext. 4462.
Request for Delegation

Attention: Regional Clerk
Regional Municipality of Peel
10 Peel Centre Drive, Suite A
Brampton, ON L6T 4B9
Phone: 905-791-7800 ext. 4582 Fax: 905-791-1693
E-mail: council@peelregion.ca

FOR OFFICE USE ONLY

MEETING DATE YYYY/MM/DD MEETING NAME
2016/04/14

REQUEST DATE YYYY/MM/DD
April 14, 2016

NAME OF INDIVIDUAL(S)
Mirian Sansalone

POSITION/TITLE
Parent

NAME OF ORGANIZATION
Individual

E-MAIL

TELEPHONE NUMBER

EXTENSION

FAX NUMBER

NAME OF INDIVIDUAL(S)

POSITION/TITLE

NAME OF ORGANIZATION

E-MAIL

TELEPHONE NUMBER

EXTENSION

FAX NUMBER

REASON(S) FOR DELEGATION REQUEST (SUBJECT MATTER TO BE DISCUSSED)
Advocacy for Passenger Assist Program

I AM SUBMITTING A FORMAL PRESENTATION TO ACCOMPANY MY DELEGATION

YES  NO

IF YES, PLEASE ADVISE OF THE FORMAT OF YOUR PRESENTATION (ie POWERPOINT)

Note:
Delegates are requested to provide an electronic copy of all background material / presentations to the Clerk’s Division at least seven (7) business days prior to the meeting date so that it can be included with the agenda package. In accordance with Procedure By-law 100-2012, as amended, delegates appearing before Regional Council or Committee are requested to limit their remarks to 5 minutes and 10 minutes respectively (approximately 5/10 slides).

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ITEMS RELATED TO PUBLIC WORKS
DATE: April 5, 2016

REPORT TITLE: TRANSHELP ELIGIBILITY POLICY

FROM: Dan Labrecque, Commissioner of Public Works

RECOMMENDATION

That the revised TransHelp Eligibility Policy, attached as Appendix I to the report of the Commissioner of Public Works, titled “TransHelp Eligibility Policy”, be approved in compliance with the requirements of the Accessibility for Ontarians with Disabilities Act (AODA);

And further, that the subject report be forwarded to the Central West Local Health Integrated Network (LHIN) and the Mississauga Halton LHIN.

REPORT HIGHLIGHTS

- On November 26, 2015 Regional Council received the Accessible Transportation Master Plan (ATMP) Implementation Update report and endorsed the establishment of the ATMP Implementation Advisory Group (“Advisory Group”) (Resolution 2015-886).
- The Advisory Group and ATMP team have continued to work on key outcomes of the implementation plan to ensure a positive benefit for Peel residents and persons with disabilities as TransHelp works towards achieving AODA compliance and sustainability.
- In order to proceed further with implementation, the revised eligibility policy for TransHelp is proposed for approval as outlined in Appendix I of this report.
- The proposed revised eligibility policy adopts a broadened definition of disability, as TransHelp shifts away from the limited mobility aid focus and creates equitable access to accessible transportation options for persons with disabilities in Peel.
- This directional shift for TransHelp began in 2014 with the ATMP Final Report and is a direct result of extensive stakeholder consultation and alignment with the Regional Strategic Plan.
- The revised eligibility policy will be introduced as part of the ATMP Implementation Plan, with the deadline of January 1, 2017.
- Along with a revised eligibility policy, it is recommended that TransHelp revise and update its application, recertification and reassessment processes and develop trip integration with conventional transit services, in accordance with client abilities as set out by the ATMP.
DISCUSSION

1. Background

The Accessibility for Ontarians with Disabilities Act, 2005 (AODA) provides legislation guiding the provision of accessible transportation services. TransHelp is required to make several program changes by 2017 to continue to meet AODA compliance standards. To ensure compliance and address growth pressures on the program due to population growth, an aging population and the expanded definition of disability, the Region of Peel began a review of the TransHelp program in September 2012. The objective of the Accessible Transportation Master Plan (ATMP) was to ensure that the Region continue to provide cost-effective high quality accessible transportation services to persons with disabilities over the long-term, while remaining compliant with the AODA. In a report to Council on June 26, 2014 Regional Council endorsed the Plan’s recommendations (Resolution 2014-556). On November 26, 2015 Regional Council received the report with a detailed workflow matrix outlining the implementation plan for ATMP and endorsed the establishment of the ATMP Implementation Advisory Group (Resolution 2015-886). The Advisory Group consists of Region of Peel project staff along with C. Groves, C. Palleschi, C. Miles, C. Mahoney, C. Kovac and alternate C. Starr. In order to proceed to the next phase of implementation, an AODA compliant eligibility policy must be established for TransHelp.

The Region’s current eligibility as mandated by Council is to serve persons with physical disabilities who are unable to take conventional transit and require the support of a mobility aid. There is a significant demand for TransHelp service that exists outside the current mandate including persons with cognitive disabilities, visual impairments and sensory disabilities.

Compliance with the new AODA requirements, a new set of eligibility criteria for TransHelp which aligns with the definition of “disability” as defined by the Human Rights Tribunal “Disability” covers a broad range and degree of conditions, some visible and some not visible. A disability may have been present from birth, caused by an accident, or developed over time. There are physical, mental and learning disabilities, mental disorders, hearing or vision disabilities, epilepsy, mental health disabilities and addictions, environmental sensitivities, and other conditions (Human Rights Code). Therefore, the Act requires eligibility for TransHelp to be based on persons who, due to a disability, are unable to take conventional transit some or all of the time.

Under the new criteria, applicants who are currently not eligible for TransHelp service may become eligible, for example their disability is cognitive and they do not use a mobility device. Likewise, clients who currently utilize TransHelp may be able to use conventional transit, if specific barriers were removed. These clients may no longer be eligible for TransHelp or they may receive a combination of TransHelp and conventional transit for their trips. The municipal public works departments have undertaken significant work to further enhance the accessibility of pedestrian access to transit networks. In addition, transit partners across the GTA have made investments in accessibility, conventional transit in Peel has over 95 per cent accessible fleets. The shift to integrate TransHelp trips with conventional transit is important as it will allow Peel to better utilize the local investments made in GTA conventional transit services and it will increase the mobility options available to residents in Peel.

As TransHelp moves towards these changes, it is important to strengthen community partnerships. The Local Health Integrated Networks (LHIN) for Central West and Mississauga
Halton, have been key stakeholders throughout the process of the ATMP. The LHIN’s play a major role as they aim to provide a client centred approach to health care delivery which includes consideration for how clients access their services, i.e. transportation. TransHelp anticipates a future partnership with the LHIN’s to coordinate access to health care supports and as such recommends forwarding this report on eligibility to both Central West & Mississauga Halton LHIN’s.

a) Eligibility

i) Redefining Eligibility: a broadened definition

The most significant policy shift and cost driver anticipated from the ATMP will be a revision to the current eligibility policy. Currently, TransHelp’s eligibility policy includes Peel residents who are physically unable to take public transit vehicles as a result of mobility challenges. The current policy remains silent on cognitive, sensory and visual disabilities, excluding segments of the population who may be physically able to board conventional transportation but have a disability that prevents them from using it comfortably and safely. Redefining eligibility would apply to all accessible services provided by the Region of Peel and its partners, and significantly impacts service delivery.

In 2005, the Province passed the AODA, which identifies, removes and prevents barriers faced by Ontarians with disabilities, including those related to transportation. In 2011, the Integrated Accessibility Standard Regulation (IASR) developed more specific eligibility criteria for accessible transportation. As a result, specialized transit service providers must expand how they define who is eligible for their services by January 1, 2017 to remain compliant. Further, by January 1, 2017, the AODA will require all specialized transportation service providers to adopt three categories of eligibility: unconditional, temporary and conditional. The new eligibility definitions, as mandated by AODA, will provide the following guidance to staff when determining eligibility:

- **Unconditional eligibility**: Given to an person whose disability prevents them from using conventional transit now and by 2025 even with travel training and the removal of environmental barriers.
- **Temporary eligibility**: Given to an person with a short-term disability that prevents them from using conventional transportation services. It should be noted that conventional transit may still meet some of their accessible transportation needs.
- **Conditional eligibility**: Given to an person with a disability where environmental or physical barriers limit their ability to consistently use conventional transportation services.

The new eligibility categories will allow service providers to gather more information about the client’s physical and environmental barriers and then seek change to create a barrier-free Ontario. The Region’s role will shift from being a one-sized fits all to a right sized solution, supporting and educating clients to understand the best accessible transportation option for them.

The revised TransHelp eligibility policy as outlined in Appendix I outlines the eligibility requirements as follows:
To be eligible for TransHelp services, an applicant must demonstrate:

1. That they reside in the Regional Municipality of Peel,
2. They are a person with a disability, and
3. That due to the nature of their disability they are unable to take conventional transit some or all of the time.

Disability alone does not create eligibility; the decision is based on the applicant's functional ability to use conventional transit some or all of the time and is not a medical decision, nor is it based on the applicant's income or age. In addition, unavailability of conventional transit service does not constitute eligibility.

ii) Trip-by-Trip Eligibility (Integration with Conventional Transit)

Under the AODA, a specialized transportation service provider can integrate trip requests for specialized transportation services to persons who are categorized as having temporary or conditional eligibility, if the conventional transportation service is accessible to that individual and the person has the ability to use it (O. Reg. 191/11, s. 63 (3)). To clarify, an accessible trip could be provided entirely or in part on conventional transit. For this reason, many specialized transit agencies, particularly those that own and operate the conventional transit service in addition to specialized transit, have begun to align their services more closely. For Peel, partnership and collaboration with the Region's municipal transit partners is critical in delivering rides that accessible, route flexible and has sustainable options. To this end, staff has begun working closely with the Region's municipal transit partners to identify opportunities for seamless transitions between conventional and specialized transit services to the benefit of the client and the regional taxpayer. This may include public education, sharing data and working to address and promote a fare transfer system between TransHelp and MiWay and Brampton transits. More specific recommendations will be provided in future council updates.

iii) The Application and In-Person Assessment

As a result of the forthcoming AODA changes to eligibility, the Region’s current application form and process requires updating. To determine the most appropriate eligibility category, the Region must gather additional detail in the application process to determine the most appropriate accessible transportation option. To accomplish this, the Region must revise its existing application form and process to better understand both the physical and environmental barriers preventing travel. Neighbouring service providers in York Region and Hamilton have developed and implemented more detailed application processes to determine the eligibility category with the ultimate goal of identifying the appropriate accessible service option. A new application will allow the Region to gather enough information to determine the eligibility category and provide a sustainable level of service for those that need it most. This may involve including questions on the application that measure an individual's ability to access and ride conventional transit, including identifying all types of barriers faced when using conventional transit services. Recent guidance by the Canadian Urban Transit Association entitled “Canadian Code of Practice for Determining Eligibility for Specialized Transit” recommends in-person assessments by a qualified health care professional to determine eligibility if adequate information has not been provided on the application. TransHelp currently conducts in-person assessments via third party contracted health professional and with the
implementation of broadening eligibility; it is anticipated that the number of assessments needed will substantially increase.

2. Impacts to Service Delivery

a) Passenger Assistant Program (PAP)

Passenger Assistant Program (PAP) began as a small pilot in 2009 to meet the needs of those with cognitive disabilities travelling to day programs that fell outside of TransHelp’s limited mandate. This program presently serves 128 clients and is delivered by both Red Cross and Caledon Community Services. All vehicles are equipped with both a driver and a support person on board to address any non-transportation needs that arise during travel such as medical care and behavioral needs. Providing a support person is not a requirement of the AODA. Since PAP was created as a result of TransHelp’s limited eligibility criteria which does not include those with cognitive disabilities, it is anticipated that under the new eligibility policy, a majority of these passengers will continue to receive service through TransHelp.

The majority of PAP clients will be able to travel on TransHelp without the need for an individual support person. However, there is a group of clients that would still require a support person to travel. This may be due to, for example, a need for medical care, behaviors which may put themselves or others at risk, or a risk of wandering if unattended. If passengers who require a support person to travel are responsible to supply their own, then passengers with support persons would be assessed as a team because the presence of the support person may remove the barrier to travelling on conventional transit.

Different models of service for this population are possible. Because this is a complex issue which has significant impacts for families, once the eligibility policy is established staff will develop options for Council to determine the course of action with this group. A follow up report is scheduled for late May/early June 2016.

b) Dialysis Program

To meet the needs of people requiring dialysis, TransHelp transports clients attending dialysis three times a week. Currently a portion of this service is contracted to the Red Cross and Caledon Community Services. Under the new eligibility criteria patients requiring dialysis would not automatically be eligible for TransHelp trips. Everyone will be assessed under the same criteria regardless of what type of treatment they are travelling to. Whether it is dialysis, chemotherapy or any other treatment, all clients will be assessed the same by asking if the disability present a barrier that impacts their ability to take conventional transit some or all of the time. There is a strong likelihood that most dialysis patients would qualify for the returning trip.

Another consideration is that the current model utilizes other providers to fully administer these trips. This means that clients, in some cases, arrange for their service provisions directly with the providers. Each provider has different operating hours, service capacities and operating processes such as call centre protocols. This leads to differences in the clients experience from TransHelp administered service. Additionally the accounting of the service becomes difficult as it is a challenge for TransHelp to reconcile service delivery and charges. If these trips are managed by TransHelp, as recommended under a new
eligibility policy and a revised service contract, all eligible trips would be coordinated through TransHelp. Red Cross and Caledon Community Services may continue to be one of several vendors contracted to deliver service and the accounting of Regional funds would be more transparent.

TransHelp is presently in direct negotiations with Red Cross & CCS regarding future service delivery, with the intention of continued partnership under new model.

c) Specialized Service for Specific Programs/Agencies

In order to address unmet needs in the community TransHelp has piloted small partnerships with organizations. Under the new eligibility policy these specific partnerships may not be required as eligible clients would likely be serviced by TransHelp. Partnerships such as these may continue to exist as directed by the Region, however, a different costing model would be recommended. These services are not considered “public transportation” trips are not scheduled along with other TransHelp trips and since the vehicles are dedicated for the program’s use, there is limited opportunity for efficiency. In this case, these types of services should be considered as charters. As such they would not fall under the fare parity regulations of the AODA. If they continue, they could be resourced separately from TransHelp and appropriate user fees for this service could be developed.

d) Taxi Scrip

Taxi Scrip is a subsidized taxi program intended to assist people with disabilities living in the Region of Peel with spontaneous travel. Registered TransHelp clients automatically qualify to participate in the Taxi Scrip Program in conjunction with regular TransHelp services. However, as the current TransHelp eligibility mandate is limited, there are several clients who have been accepted to TransHelp as “taxi scrip only.” Under the revised eligibility policy, which utilizes a much broader definition of disability, the category of “taxi scrip only” will no longer be needed. Under common eligibility criteria the Taxi Script Program will continue as an aspect of TransHelp enrollment, rather than a standalone initiative. Regular TransHelp services require pre-booking of trips at least one day in advance. The Taxi Scrip Program is intended to mitigate this requirement by providing same day subsidized mobility options. TransHelp clients can use Taxi Scrip to book trips at their convenience for spontaneous travel requirements.

3. Next Steps

a) Recertification of Existing TransHelp Clients

Under the new eligibility criteria, existing TransHelp clients will need to undergo recertification in order to determine which eligibility category, as defined by the AODA, they fall into. Given TransHelp’s 17,000 client population, it is anticipated that recertification may take place over a two year period and has an estimated cost of $450,000. Recertification will occur through a variety of methods, including simple file reviews, phone assessments, post-card mail outs and in-person assessments. It is expected that the majority of clients will remain eligible for TransHelp in some capacity.
However, as there have been many changes and investments into the accessibility of conventional transit in Peel, it is expected that some clients will be found ineligible for TransHelp as a result of recertification. TransHelp will strive to transition ineligible clients in a respectful way, minimizing the impact to the client as much as possible. It is strongly recommended to Council that all clients be recertified as grandfathering has proven to present several Human Rights challenges. Specifically, grandfathering presents a risk for major political challenges as TransHelp could end up having several residents, all with the same barriers to accessing conventional transit, each having different levels of eligibility simply because certain folks were grandfathered and certain folks were assessed under the new criteria. This presents significant Human Rights challenges and it is recommended that all TransHelp clients are recertified to prevent such political and legal challenges. In order to develop a detail recertification plan, TransHelp requires Council to adopt the revised eligibility policy.

b) Ongoing Reassessment

Once recertification is complete, it is anticipated that most clients will still need to be reassessed on a regular basis. Reassessment is the process by which changes in client’s conditions and contact information or that of their caregivers, is evaluated on a regular basis. The Region does not currently have a consistent process in place to reassess clients and update their profiles with the most current information. Reassessment allows users to provide current information to most effectively use the system and new details regarding their condition or barriers to travel that might impact their eligibility category. Contact information, caregivers and many conditions can change over time thus necessitating an update and possible reconsideration of an individual’s eligibility. Additionally, current contact information allows the Region to gather survey data more efficiently. The Canadian Urban Transit Association recommends reassessment for clients every three years. Reassessment could include a variety of options ranging from a mailed postcard reminding users to update their information to receive the best possible service, to in-person assessments.

c) Scope of Next Report

There is a significant demand for TransHelp services that exists outside the current mandate including persons with cognitive disabilities, visual impairments and sensory disabilities. Regional staff will develop a second report to Regional Council in late May/early June 2016, to further consider options for these residents. Staff will highlight potential options and input these into our sustainability model to support ultimate decision making. While AODA mandates, the Region has an open and transparent eligibility process, there is no requirement to meet the resulting service demand. Regional Council’s decision will ultimately take into account the level of funding it can receive from senior levels of government, users of the system and the general taxpayer.

CONCLUSION

Staff recommends that the Region adopt the Human Rights Tribunal definition of disability as defined by the AODA and revised TransHelp eligibility policy as outlined in Appendix I of this report. The revised eligibility policy will be introduced as part of the ATMP Implementation Plan, with the deadline of January 1, 2017. Copies of this report will be forwarded to the Central West
Local Health Integrated Networks (LHIN) and the Mississauga Halton LHIN. It is recommended that TransHelp service continue building integration with conventional transit to expand the transportation options to persons with disabilities in Peel. In order to achieve the above recommendations, TransHelp is required to change and update its application, recertification and assessment processes. The ATMP team will be presenting to the Accessibility Advisory Committees over the month of April 2016: Mississauga AAC April 4, Brampton AAC April 12, Caledon AAC April 14 and Regional AAC April 21.

Staff will continue to work with Council, the ATMP Implementation Advisory Group, the TransHelp Advisory Committee and several key stakeholders to seek input and direction on a proposed service model.

Dan Labrecque, Commissioner of Public Works

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I – TransHelp Policy – Eligibility Criteria

For further information regarding this report, please contact David Margiotta, Program Manager ATMP, extension 4495, david.margiotta@peelregion.ca.

Authored By: David Margiotta and Aislin O’Hara

Reviewed in workflow by:

Financial Support Unit
Legal Services

- 8 -
A. PURPOSE

This policy outlines the eligibility criteria for persons with disabilities that are applying for TransHelp service in compliance with Accessibility for Ontarians with Disabilities Act (AODA 2005) Section 63 (1)(2)(3) titled “categories of eligibility.”

B. SCOPE

This policy applies to all persons who apply for TransHelp service, and, as of the effective date of this policy, to any and all existing clients of TransHelp.

C. DEFINITIONS

“disability” is defined as any degree of physical disability, infirmity, malformation or disfigurement that is caused by bodily injury, birth defect or illness and, without limiting the generality of the foregoing, includes diabetes mellitus, epilepsy, a brain injury, any degree of paralysis, amputation, lack of physical co-ordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a guide dog or other animal or on a wheelchair or other remedial appliance or device, a condition of mental impairment or a developmental disability, a learning disability, or a dysfunction in one or more of the processes involved in understanding or using symbols or spoken language and a mental disorder (Human Rights Code).

“applicant” is defined as an individual who has applied for TransHelp services or a previous client of TransHelp who has been reassessed and determined to be ineligible at time of assessment.

“client” is defined as an individual who is currently using TransHelp services.

“visitor” is a person who resides outside of the Region of Peel and is temporarily residing at an address within the Region for a period not exceeding three (3) weeks.

“support person”, in relation to a person with a disability, is another person who accompanies the person with a disability in order to help with communication, mobility, personal care or medical needs or with access to goods, services or facilities.
“companion” is a person who accompanies a registered passenger when travelling on TransHelp service, if seating is available and will not result in the denial of service to other persons with disabilities.

“Children” are persons 12 years of age and under.

“Infants” are children classified under Regulation 613 of the Highway Act i.e. weighing less than nine kilograms (20 lbs).

“parent/guardian” is a person entrusted with the care of a child either by birth or law.

“Conventional transportation services” means public passenger transportation services on transit buses, motor coaches or rail-based transportation that operate on a fixed route schedule and are provided by designated public sector transportation providers.

D. POLICY

TransHelp will provide origin to destination services to residents of Peel that takes into account the abilities of its passengers and that accommodates their abilities. Origin to destination services may include trips on accessible conventional transportation. Origin to destination services refers to the overall package of transportation services that allows TransHelp to provide, in a flexible way, transportation that best meets the needs of persons with disabilities.

To apply for TransHelp services:

1. An applicant must formally apply to TransHelp by completing the designated application form in full and submitting it to TransHelp.

2. An applicant may be required to attend an in-person assessment at the TransHelp office to further evaluate and assess eligibility.

3. An applicant may be required to provide additional supporting documentation if requested by TransHelp.
Eligibility requirements:

To be eligible for TransHelp services, an applicant must demonstrate:

1. That they reside in the Regional Municipality of Peel,
2. They are a person with a disability, and
3. That due to the nature of their disability they are unable to take conventional transit some or all of the time.

Disability alone does not create eligibility; the decision is based on the applicant’s functional ability to use conventional transit some or all of the time and is not a medical decision, nor is it based on the applicant’s income or age. In addition, unavailability of conventional transit does not constitute eligibility.

Eligibility categories:

Eligibility for TransHelp is approved according to levels of eligibility in three categories:

1. **Unconditional**: a person with a disability that prevents them from using conventional transportation services.

2. **Temporary**: a person with a temporary disability that prevents them from using conventional transportation services for all or part of their trip.

3. **Conditional**: a person with a disability where environmental or physical barriers limit their ability to consistently use conventional transportation services.

Eligibility for applicants 12 years of age and under:

Children 12 years of age and under are required to be accompanied by a parent or guardian while travelling on TransHelp. Therefore, eligibility will be based on the functional ability of both the child applicant and the accompanying parent/guardian.
Children 12 and under along with the accompanying parent/guardian will be assessed and if eligibility is granted, placed into one of the three eligibility categories as outlined above.

Please note that TransHelp does not provide service to locations and activities whereby transportation is to be provided by the school board transportation systems.

Assessments

1. It is standard practice that the majority of applicants will be required to attend an in-person assessment at the TransHelp office.

2. Assessments are conducted by independent third-party vendors including but not limited to: physiotherapist, nurse, nurse practitioner, kinesiologist, occupational therapist or physician.

3. On a case-by-case basis, existing TransHelp clients will be required to recertify for TransHelp service through an in-person assessment, as determined by TransHelp.
TransHelp
Eligibility Policy
April 14, 2016
The Path We’re On...

Major Implementation Roll Out – High Change Saturation
- New eligibility policy & processes, recertification begins, continued public education, begin integration with conventional

Planning for Change & Development of Implementation Plan
- Staff ATMP team, create implementation plan, begin change management & organizational transition

Monitoring Change & KPI
- AODA compliance reporting, continued organizational transition

2012-2014

2015

2016

2017

Extensive Stakeholder Engagement & ATMP Final Report
- Over 150 outreach events, 4 full day open houses, over 500 stakeholders, 144 customer surveys, 18 AAC presentations, 4 focus groups, 8 workshops & presentations to ELT & Council
Recommendation

• To adopt the Human Rights Tribunal definition of disability as defined by the AODA and the revised TransHelp eligibility policy

• And further, to forward this report to Central West & Mississauga Halton LHIN’s
Our Approach

• To adopt the new eligibility criteria which allows work to continue on application, assessments and servicing the much larger broader community

• To identify the individuals who may have negative impacts and present various options to council for this small group within a follow up report in late May/early June 2016
What is changing with eligibility
The Service Spectrum

AODA

No Service
No Cost

Conventional Transit

Fully Personalized
Fully Subsidized

$ $ $ $
What does Equity™ really look like?
Equality = Sameness
Equality promotes fairness and justice by giving everyone the same thing

Equity = Fairness
Equity is about making sure people get access to the same opportunities
Identified impacts to be explored in follow-up reports

- New application
- Recertification of existing clients
- Taxi Scrip
- Dialysis
- Passenger Assistant Program (PAP)
- Specialized services
- Integration with conventional transit
ITEMS RELATED TO HEALTH
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DATE: April 6, 2016

REPORT TITLE: UPDATE ON PROPOSED PROVINCIAL CHANGES UNDER THE SMOKE-FREE ONTARIO ACT AND THE ELECTRONIC CIGARETTES ACT, 2015

FROM: Janette Smith, Commissioner of Health Services
Eileen de Villa, MD MBA MHSc CCFP FRCPC
Medical Officer of Health

RECOMMENDATION

That Peel Public Health respond to the Ministry of Health and Long-Term Care’s stakeholder consultation, regarding proposed amendments to Ontario’s smoking laws related to medical marijuana and electronic cigarettes, by indicating support for the proposed changes, and providing feedback to ensure effective implementation and enforcement of the changes.

REPORT HIGHLIGHTS

• The Ontario government proposed amendments to the Smoke-Free Ontario Act, the Electronic Cigarettes Act, 2015 and respective regulations under those Acts on March 10, 2016. These changes, if passed, will:
  o ban the use of e-cigarettes, as well as smoking and vaping of medical marijuana, in all enclosed public spaces, enclosed workplaces, and other specified outdoor areas.
  o further restrict the sale of e-cigarettes, similar to the sale of tobacco.
  o establish rules for the display and promotion of e-cigarettes in places they are sold.
• If passed, these amendments will require dedicated resources and time to ensure effective implementation, enforcement and internal and external communication regarding the changes throughout the region.
• Peel Public Health supports the proposed changes which are consistent with our Tobacco-Free priority and provide a better balance between the rights of those using medical marijuana and the public’s right to clean air in shared spaces.
• Peel Public Health welcomes the opportunity to provide feedback and will communicate its support and provide comments through the stakeholder engagement process to the Ministry of Health and Long-Term Care (MOHLTC) by April 24, 2016.
DISCUSSION

1. Background

(a) Provincial Consultations regarding Changes to Smoking Laws

On January 29, 2016, per Regional Council direction, correspondence was forwarded to Ontario’s Associate Minister of Health and Long-Term Care expressing concerns with amending the Smoke Free Ontario Act and Electronic Cigarette Act, 2015 to exempt medical marijuana without adequate consultation.

In response to public concern, the MOHLTC announced on March 10, 2016, that it is re-examining the regulations and proposing amendments to strengthen smoking and e-cigarette laws.

The Ministry is interested in hearing from stakeholders about the impacts of the proposed changes on the public, businesses and employers. Stakeholder consultation is open for a 45-day regulatory review period with comments due on April 24, 2016.

(b) Health Impacts of Second-Hand Smoke and Vaping

Regular second-hand smoke exposure from tobacco products can lead to significant disease and death among non-smoking adults and children. These negative health effects include: stroke; lung cancer; coronary heart disease; low birthweight; middle ear disease and lower respiratory illness in children; and sudden infant death syndrome.

The evidence for negative health impacts of vaping through the use of e-cigarettes is still emerging and inconclusive. Smokers exhale some of the nicotine and ultrafine particles delivered by e-cigarettes, which exposes bystanders to ‘passive vaping’. E-cigarette particles are small enough to reach deep into the lungs; however, the health risks from e-cigarettes’ toxicants are still unknown, but can be considered a source of air pollution.

Second-hand impacts of marijuana smoke are currently not well understood. The Canadian Cancer Society has stated that the risks of second-hand marijuana smoke are potentially similar to that of cigarette smoke, including an increased risk of cancer.

Few studies have looked at the health risks posed by passive exposure to vaped marijuana. As with e-cigarettes, vaping marijuana is a newer social phenomenon and the scientific literature is still emerging.

2. Proposed Regulatory Changes

The proposed changes include amendments to the Smoke Free Ontario Act, the Electronic Cigarette Act, 2015 and related regulations under those Acts. If these amendments are passed, they will:

- Expand "no smoking rules" to apply to medical marijuana. This would mean that smoking medical marijuana would be illegal in the locations in which smoking of tobacco is also prohibited. An exemption would be made for use of medical marijuana in scientific research and testing facilities.
UPDATE ON PROPOSED PROVINCIAL CHANGES UNDER THE SMOKE-FREE ONTARIO ACT AND THE ELECTRONIC CIGARETTES ACT, 2015

- Prohibit the use of e-cigarettes - including the use of vaporizers to consume medical marijuana and testing in vape stores - in all enclosed public places, enclosed workplaces, and other prescribed places such as schools, day cares, restaurants and bar patios. Specific exemptions would be made, for use in research and testing facilities, etc.

- Change the Electronic Cigarette Act, 2015 to permit parents, guardians and caregivers to supply e-cigarettes to minors for medical marijuana purposes.

- Expand the definition of "e-cigarette" to include "e-substance". The previous definition did not specify whether the substance being heated in the e-cigarette (i.e., e-liquid) was covered in the Act’s restrictions on selling, displaying and promoting e-cigarettes.

- Expand the list of places where e-cigarettes are prohibited for sale. These will include post-secondary institutions, schools and school grounds, etc., so that comparable rules are in place for the sale of tobacco and e-cigarettes.

- Establish rules for the display and promotion of e-cigarettes at places where they are sold. Current provisions prohibit the display and promotion of e-cigarettes. The proposed amendment will permit business owners to post certain signs/documents to inform the public that e-cigarettes are available and how to use them, but the owner needs to make a written request to the health unit for an exemption. Other stipulations are also made about visibility and access to minors.

3. Next Steps

If these amendments are passed, there will be implications for municipal enforcement. Dedicated resources and time will be required to, among other things, conduct inspections and respond to complaints; disseminate new signage and develop internal and external communications to municipalities, schools and school boards, vendors, and other affected parties. Peel Public Health will participate in stakeholder consultations and continue to engage with the Ministry of Health and Long-Term Care to ensure clarity around enforcement of these proposed amendments to ensure successful implementation.
CONCLUSION

Peel Public Health endorses the strong stance the Ministry of Health and Long-Term Care is taking to protect and promote the health of the public and will support the newly proposed changes through stakeholder engagement.

Janette Smith, Commissioner of Health Services

Eileen de Villa, MD MBA MHSc CCFP FRCPC
Medical Officer of Health,

Approved for Submission:

D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Olha Dobush, Director, Chronic Disease & Injury Prevention Division. Extension 2617 or via email at olha.dobush@peelregion.ca

Authored By: Simone Kaptein and Sharon Williams, Chronic Disease & Injury Prevention Division
The Region of Peel Community Water Fluoridation Committee met on March 31, 2016 at 8:30 a.m., in the Regional Council Chamber, 5th Floor, Regional Administrative Headquarters 10 Peel Centre Drive, Suite A, Brampton, Ontario.

Members Present: F. Dale; J. Downey; A. Groves; C. Parrish; K. Ras; J. Sprovieri; J. Tovey

Members Absent: M. Palleschi

Also Present: D. Szwarc, Chief Administrative Officer; J. Smith, Commissioner of Health Services; Dr. E. de Villa, Medical Officer of Health; D. Labrecque, Commissioner of Public Works; P. O’Connor, Regional Solicitor; K. Lockyer, Regional Clerk; C. Law, Committee Clerk; V. Montesdeoca, Legislative Technical Coordinator

Chaired by Councillor C. Parrish.

1. DECLARATIONS OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA

RECOMMENDATION CWFC-4-2016:

That the agenda for the March 31, 2016, Community Water Fluoridation Committee meeting include an oral update from the Medical Officer of Health regarding a general update on developments related to water fluoridation since the February 11, 2016 Committee meeting;

And further, that the agenda be approved, as amended.

3. DELEGATIONS

3.1. Dr. Raymond Ray, Resident, Regarding Community Water Fluoridation

Withdrawn

* See text for arrivals
♦ See text for departures
RECOMMENDATION CWFC-5-2016:
That future delegations to the Community Water Fluoridation Committee (CWFC) be by invitation only;
And further, that the Terms of Reference for the CWFC be amended accordingly.

The Committee discussed whether the normal request for delegation process should apply to the Community Water Fluoridation Committee, and it was decided that delegations should be by invitation only to ensure the meetings scheduled stay on topic.

4. REPORTS

4.1. Community Water Fluoridation Committee Work Plan

RECOMMENDATION CWFC-6-2016:
That the Work Plan, attached as Appendix I to the report of the Commissioner of Health Services and the Medical Officer of Health, titled “Community Water Fluoridation Committee Work Plan”, be approved, as amended.

Councillor Sprovieri handed out a list of topics and several Councillors suggested additional topics for staff to look into throughout the course of meetings such as: legislation surrounding advertising of toothpaste; how fluoride is classified by government; natural levels of fluoride in Lake Ontario and well water in Caledon; and a chronology of how debates developed in areas where fluoride was removed from the water system, etc.

Staff will include these topics in the work plan.

4.2. Dr. Dick Ito’s Masters of Science Thesis (Oral)
Presentation by Dr. de Villa, Medical Officer of Health, Region of Peel

Received

Dr. Eileen de Villa, Medical Officer of Health, provided a brief summary of the details of what Dr. Ito found in the Region of Peel with regards to comparing water fluoridation effectiveness for his thesis work in 2007. She noted several challenges with the study in trying to extrapolate broad findings or results that are applicable to all populations.

In response to a question from Councillor Ras, Dr. de Villa stated that it would be a time and resource intensive undertaking for the Region of Peel to complete a study that addresses the challenges Dr. Ito faced in his study, but that staff could consider options.

In response to a question from Councillor Sprovieri, Dr. de Villa stated that the results of the Dr. Ito study were communicated to Regional Council around the time of completion.

5. COMMUNICATIONS
Councillor Sprovieri requested staff to investigate rates of fluorosis among certain population groups in the United States.

5.3. Lois Marie Gibbs, Founder and Stephen Lester, Science Director, Center for Health, Environment and Justice (CHEJ), Letters dated January 20, 2016 and September 8, 2015, Regarding Opposition to Water Fluoridation

Received

5.4. Dr. Oksana M. Sawiak, Wellness Counsellor, Author, Lecturer, Email dated January 27, 2016, Regarding Water Fluoridation

Received

5.5. Edna Toth, Editor, Tough Times, Letter dated February 3, 2016, Regarding Water Fluoridation

Received

5.6. Maria Britto, Board Chair, Central West Local Health Integration Network (LHIN), Letter dated February 5, 2016, Regarding Water Fluoridation

Received

5.7. Dr. Mike Toth, President, Ontario Medical Association (OMA), Letter dated February 8, 2016, Regarding Drinking Water and the Issue of Water Fluoridation

Received

5.8. Bill MacLeod, Chief Executive Officer, Mississauga Halton Local Health Integration Network (LHIN), Letter dated February 9, 2016, Regarding Water Fluoridation

Received

5.9. Ondina Love, Chief Executive Officer, The Canadian Dental Hygienists Association (CDHA), Letter dated February 1, 2016, Regarding Community Water Fluoridation

Received
5.10. Dr. Victor Kutcher, President, Ontario Dental Association (ODA) and Dr. Sanjukta Mohanta, President, Halton-Peel Dental Association (HPDA), Letter Dated February 18, 2016, Regarding Community Water Fluoridation

Received

5.11. Anna Louise, Registered Dental Hygienist and Resident, Email dated February 29, 2016, Regarding Community Water Fluoridation

Received

5.12. Dr. Alyssa Hayes, President, Canadian Association of Public Health Dentistry (CAPHD), Letter dated March 12, 2016, Regarding Community Water Fluoridation

Received

Item 7 was dealt with.

7. OTHER BUSINESS

Added Item

7.1 Medical Officer of Health General Update on Water Fluoridation (Oral)

The Medical Officer of Health informed the Committee that staff are currently updating the Region of Peel website with relevant information regarding the topic of community water fluoridation including frequently requested information. Dr. de Villa also advised the Committee of a petition that is currently circulating, initiated by Mississauga MPP Bob Delaney, which petitions the province to make water fluoridation mandatory.

Received

6. IN CAMERA MATTERS

At 9:20 a.m., in accordance with section 239(2) of the Municipal Act, 2001, as amended, a motion was placed, and was carried, to move into closed session to consider the following subject matter:

- Update on Lawsuit Concerning Water Fluoridation (Oral) (Litigation or potential litigation, including matters before administrative tribunals, affecting a municipality or local board)

Committee moved out of In Camera at 9:24 a.m.

6.1. Update on Lawsuit Concerning Water Fluoridation (Oral) (Litigation or potential litigation, including matters before administrative tribunals, affecting a municipality or local board)

Received
7. OTHER BUSINESS

This item was dealt with earlier in the meeting.

8. NEXT MEETING

Thursday, April 14, 2016, 8:30 a.m. - 9:30 a.m.
Regional Council Chamber, 5th Floor
Regional Administrative Headquarters
10 Peel Centre Drive, Suite A
Brampton, Ontario

9. ADJOURNMENT

The meeting adjourned at 9:25 a.m.
MAR 3 1 2016

Mr. Frank Dale
Chair
Regional Municipality of Peel, Board of Health
10 Peel Centre Drive, Suite A
Brampton ON  L6T 4B9

Dear Mr. Dale:

I am writing with respect to the Board of Health's appointment of Dr. Lawrence Loh to the position of Associate Medical Officer of Health for the Regional Municipality of Peel.

I am pleased to approve the appointment of Dr. Loh as an Associate Medical Officer of Health for the Regional Municipality of Peel.

This approval is granted in accordance with Clause 64(c) of the Health Protection and Promotion Act.

Yours sincerely,

Dr. Eric Hoskins
Minister

c:  Dr. Lawrence Loh, Associate Medical Officer of Health, Regional Municipality of Peel
   Dr. Eileen de Villa, Medical Officer of Health, Regional Municipality of Peel
   Janette Smith, Commissioner, Health Services, Regional Municipality of Peel
   Sylvia Jones, MPP, Dufferin-Caledon
   Jagmeet Singh, MPP, Bramalea-Gore-Malton
   Harinder Malhi, MPP, Brampton-Springdale
   Vic Dhillon, MPP, Brampton West
   Amrit Mangat, MPP, Mississauga-Brampton South
   Harinder S. Takhar, MPP, Mississauga-Erindale
Mr. Frank Dale

Hon. Dipika Damerla, MPP, Mississauga East-Cooksville
Hon. Charles Sousa, MPP Mississauga South
Bob Delaney, MPP, Mississauga-Streetsville
Dr. David Williams, Chief Medical Officer of Health
Roselle Martino, Assistant Deputy Minister, Population and Public Health Division
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ITEMS RELATED TO HUMAN SERVICES
DATE: April 6, 2016
REPORT TITLE: RENT SUPPLEMENTS FOR THE HOMELESSNESS PARTNERING STRATEGY HOUSING FIRST PILOT PROJECT
FROM: Janice Sheehy, Commissioner of Human Services

OBJECTIVE
To inform of the provision of additional rent supplements for Housing First Pilot Project clients.

REPORT HIGHLIGHTS
- The Homelessness Partnering Strategy (HPS) is a federally-funded, community-based program aimed at ending homelessness by providing direct support and funding to communities across Canada. The Region is the fund administrator.
- The federal government requires the Region to allocate 40% of its HPS project budget to Housing First activities as of April 1, 2016.
- The Housing First Pilot Project will move chronically and episodically homeless individuals from the streets or the emergency shelters directly into permanent housing.
- Permanent housing is complemented by support services that assist clients to remain housed and work towards recovery and reintegration into the community.
- Rent supplements are an effective way to provide affordable housing to vulnerable populations such as the chronically and episodically homeless.
- The cost of providing the additional rent supplements is $28,600 for 2016 and $195,000 per annum for 2017-19. These costs will be managed within the current base budget, resulting in no new budget request.

DISCUSSION
1. Background

The Homelessness Partnering Strategy (HPS) is a federally-funded, community-based program aimed at ending homelessness by providing direct support and funding to communities across Canada. The Region of Peel was approved as the HPS Community Entity (fund administrator) for the period beginning April 1, 2014 and ending March 31, 2019.

The Region receives $937,010 annually: $140,551 (15%) allocated for administration-related expenditures, and $796,459 (85%) for project-related expenditures that support improving the self-sufficiency of individuals and families who are homeless or at-imminent risk of homelessness. A Community Advisory Board (CAB) helps set HPS priorities and recommends projects for funding.
RENT SUPPLEMENTS FOR THE HOMELESSNESS PARTNERING STRATEGY HOUSING FIRST PILOT PROJECT

As part of their focus on ending homelessness, the federal government requires the Region to allocate 40% of the HPS project budget to Housing First activities as of April 1, 2016. This amounts to $318,584 annually, for the last three years of the 2014-2019 funding cycle.

2. Housing First Pilot Project

In response to the federal requirement, the Region of Peel in partnership with the CAB developed the Housing First Pilot Project.

a) The Housing First Approach

Housing First is based on the assumption that stable and permanent housing is the primary need of a homeless individual. Once stable housing is obtained, other more enduring issues, such as addictions or mental health, can be more appropriately addressed.

As an intervention, the approach involves moving homeless individuals from the streets or emergency shelters directly into permanent housing. Permanent housing is complemented by the support services that assist clients to remain housed and work towards recovery and reintegration into the community.

b) Pilot Project

In response to the federal requirement, the Region of Peel in partnership with the CAB developed the Housing First Pilot Project.

A call for collaborative proposals was issued in October 2015. The proposed project must use a Housing First approach and implement activities that help individuals who are chronically and episodically homeless (as defined below). Project activities consist of helping clients access and maintain permanent housing, connect with mainstream services, and reintegrate into the community.

chronically homeless: individuals often with disabling conditions who are currently homeless and have been homeless for six months or more in the past year.

episodically homeless: individuals, often with disabling conditions, who are currently homeless and have experienced three or more episodes of homelessness in the past year.

The Salvation Army Peel Shelter and Housing Services (project lead) collaborative application was selected by the CAB to deliver the pilot project, and will receive $318,584 annually, for a total HPS grant of $955,752. The project began on April 1, 2016 and ends March 31, 2019. This portion of the Housing First Pilot Project will be funded by federal HPS dollars. As the result, there is no budget impact for the Region.

The project will serve 25 clients with housing placement and intensive case management supports over the three years. There will be 10 clients on the caseload by the end of 2016, and the remaining clients will be added to the caseload in a staggered fashion over the course of 2017. There will be a full caseload in 2018 and 2019.

c) Evaluation

The evaluation framework will have three components: client outcomes, Housing First fidelity, and social return on investment.

i. Client Outcomes

The federal government requires the Region to report on Housing First client outcomes such as: housing placement, housing retention, homelessness recidivism, successful program exit, and several socio-economic self-sufficiency indicators.

ii. Housing First Fidelity Scale

The Housing First fidelity scale determines how well the project is adhering to the core principles and service philosophies of a Housing First approach, as opposed to a conventional homelessness intervention. It is established that the greater fidelity a project achieves, the greater the client outcomes will be.

iii. Social Return on Investment

Social return on investment (SROI) is a framework for measuring and accounting for the “value” of investments made. It tells the story of how change is being created by measuring social and economic outcomes and using monetary values to represent them.

For example, the Wellesley Institute’s *The Blueprint to End Homelessness (2007)* states that the average monthly cost of housing a person while they are homeless is $1,932 for a shelter bed, $4,333 for a provincial jail, or $10,900 for a hospital bed. When compared with the average monthly cost of a rent supplement of $650, the value and cost-effectiveness of investments can be determined:

<table>
<thead>
<tr>
<th></th>
<th>Shelter Bed</th>
<th>Provincial Jail</th>
<th>Hospital Bed</th>
<th>Rent Supplement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average Monthly Cost</strong></td>
<td>$1,932</td>
<td>$4,333</td>
<td>$10,900</td>
<td>$650</td>
</tr>
</tbody>
</table>

3. Rent Supplements

Best practices have shown that many individuals who enter Housing First programs are able to live independently in permanent housing if the rents are affordable. Rent supplements are an effective way to provide affordable housing to vulnerable populations such as the chronically and episodically homeless. Therefore rent supplements will be provided to Housing First clients for the course of the pilot project.

The rent supplement is based on a formula that considers the maximum monthly shelter allowance for Ontario Works (OW) or Ontario Disability Support Program (ODSP) recipients, as well as the monthly rental cost of a unit. Based on this information, the rent supplement is
RENT SUPPLEMENTS FOR THE HOMELESSNESS PARTNERING STRATEGY HOUSING
FIRST PILOT PROJECT

budgeted at up to $650 a month per client. This is an average cost, with some rent
supplements costing less and others costing more.

4. Policy and Program Alignment

The HPS Housing First Pilot Project along with Regional rent supplements align with the
following policies and programs:

a) Peel’s Housing and Homelessness Plan

The Peel Housing and Homelessness Plan’s (2014‐2024) goal statement is “everyone
has a home and homelessness is eliminated”. The Housing First Pilot Project, together
with rent supplements, will contribute to several objectives of the plan by enhancing the
capacity of individuals and families and creating an integrated system that supports
people’s housing needs efficiently and effectively.

b) Provincial Poverty Reduction Strategy

Under the Ontario Poverty Reduction Strategy (2014-2019), the Province has committed
to ending chronic homelessness in ten years, and it is implementing recommendations
from an Expert Advisory Panel on Homelessness. The Province has committed to a
number of immediate and long-term actions, including:

- Setting a target to end chronic homelessness in ten years;
- Adopting the federal (HPS) definition of chronic homelessness;
- Prioritizing four population groups: youth; Aboriginals, the chronically homeless, and
  those leaving provincial institutions such as jails and hospitals;
- Planning to require enumeration at the local level to gather data about
  homelessness.

As such, the Housing First Project with rent supplements is aligned with the Ontario
Poverty Reduction Strategy.

c) 20,000 Homes Campaign

The 20,000 Homes Campaign is a national movement of communities working together
to permanently house 20,000 of Canada’s most vulnerable homeless people by July 1,
2018.

The campaign consists of a Registry Week, where the community surveys as many
people experiencing homelessness as possible, and prioritizes individuals for housing
placement and support services based on the identified level of need. See Appendix I for
a summary of the 20,000 Homes Campaign.

The Registry Week in Peel will take place the first week of June 2016, and will involve
community partners such as the Salvation Army – the project lead for the Housing First
Pilot Project. Registry week results will provide a more accurate understanding of Peel’s
homeless population, and allow the community to formulate a systemic response. Staff
will report the results of the Registry Week to Council in the Fall of 2016.
RENT SUPPLEMENTS FOR THE HOMELESSNESS PARTNERING STRATEGY HOUSING FIRST PILOT PROJECT

For the Housing First Pilot Project, the Salvation Army will be able draw its 25 clients directly from the Registry Week results.

FINANCIAL IMPLICATIONS

The support services component of the Housing First Pilot Project, costing $318,584 per annum, will be funded using federal HPS project dollars.

The rent supplement component of the Housing First Pilot Project will be funded from within the Housing operating budget. The rent supplement for 2016 will be $28,600 increasing to $195,000 for 2017 to 2019 once the full caseload of 25 clients is reached. The additional costs for 2017-19 will be managed within the current base budgets, resulting in no future budget increase.
RENT SUPPLEMENTS FOR THE HOMELESSNESS PARTNERING STRATEGY HOUSING FIRST PILOT PROJECT

CONCLUSION

Rent supplements are an essential component of a Housing First approach. Many individuals who are chronically and episodically homeless are able to live independently, provided they have access to support services and affordable rents. Best practices have proven that not only does Housing First produce better outcomes for clients; it is also a more efficient and cost-effective way to address the complex socio-economic issues of homelessness. The Housing First Pilot Project together with Regional rent supplements will move Peel closer to a community where “everyone has a home, and homelessness is eliminated” (Peel Housing and Homelessness Plan 2014-2024).

Janice Sheehy, Commissioner of Human Services

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I: Summary of 20,000 Homes Campaign

For further information regarding this report, please contact Beth Storti, Community Development Manager, 905-791-7800 x6283, beth.storti@peelregion.ca.

Financial Support Unit:
John Arcella, Manager, Finance Support Unit, Human Services
The 20,000 Homes Campaign (20K Homes) is a national movement of communities working together to permanently house 20,000 of Canada’s most vulnerable homeless people by July 1, 2018.

The campaign is led by the Canadian Alliance to End Homelessness. To date, 29 Canadian communities have joined 20K Homes.

For more information on the national campaign, visit: www.20Khomes.ca

Seven Principles of 20K Homes
1. Knowing every homeless individual by name
2. Implementing Housing First.
3. Understanding the community’s unique set of strengths and challenges
4. Using data to track progress and to make decisions
5. Building a coordinated homelessness system of care
6. Learning from other communities
7. Providing a voice at the national and provincial level for advocacy.

Registry Week
The Registry Week is one of the first steps in 20K Homes. It is a comprehensive process to identify as many individuals experiencing homelessness as possible. Coordinated survey teams, composed of both professional staff and community volunteers, canvass shelters, streets, and other pre-determined areas, and conduct a survey with individuals who are homeless. Survey participation is optional.

Vulnerability Index – Service Prioritization and Decision Assistance Tool (VI-SPDAT)
20K Homes uses the VI-SPDAT 2.0 pre-screen tool as survey questions. The VI-SPDAT combines the Vulnerability Index (street outreach tool) and the Service Prioritization Decision Assistance Tool (intake and case management tool). It helps identify the best type of support and housing intervention for an individual, and determines who is in greatest need of the intervention.

Taking Action
20K Homes is a housing intervention and not a research project. Therefore the data collected during the Registry Week must be actionable. Once the needs of the community’s most vulnerable and chronically homeless are identified, a connection will be made to housing, supports, and/or resources. This will require prioritizing existing resources within the homelessness service system, but also other creative and non-traditional approaches.

20K Homes in Peel
In Peel, 20K Homes is being led by the United Way of Peel Region under the auspices of the Peel Poverty Reduction Strategy. Partners at the planning table include:
- United Way of Peel Region
- St. Leonard’s Place Peel
- Salvation Army Peel Shelter and Housing Services
- Our Place Peel
- Supportive Housing in Peel
- Peel Poverty Action Group
- Homelessness Partnering Strategy (HPS) Community Advisory Board, and
- Region of Peel

Peel’s Registry Week will take place during the first week of June 2016.
DATE: April 12, 2016
REPORT TITLE: YOUTH HOMELESSNESS IN PEEL - UPDATE
FROM: Janice Sheehy, Commissioner of Human Services

RECOMMENDATION

That the vacant Chinguacousy Learn Play Care Centre located at 1B Knightsbridge Road in Brampton be retrofitted to accommodate an “up to 30” bed interim shelter solution for youth aged 16-24 years;

And further, that the Commissioner of Human Services be authorized to amend the current funding agreements with existing partners for the operational management that is required to support this interim plan;

And further, that the 2016 operating expenditures of up to $500,000 be funded from the General Government Working Fund (R1250), if required;

And further, that the capital retrofit expenditures of up to $700,000 be funded from the Development Charge Shelters Reserve (R3531);

And further, that the Chief Financial Officer be authorized to expedite and award the retrofit contract in accordance with the Purchasing By-law 113-2013;

And further, that this interim solution continues until staff report back to Regional Council with recommended longer term strategies to address youth homelessness issues in Peel.

REPORT HIGHLIGHTS

- There are currently no dedicated emergency shelter supports in Brampton for youth.
- This interim recommendation will provide beds for youth and young adults (16-24 yrs.) in response to Regional Council direction.
- Staff is recommending that the vacant building located at 1B Knightsbridge, previously the Region of Peel's Chinguacousy Learn Play Care Centre, be converted to a dedicated youth emergency shelter.
- Operating costs of $500,000 for the interim recommendation are required for 2016 and will be funded from a one-time draw from the working reserves, if necessary.
- Estimated annual operating costs for 2017 are $1.2 million and will be addressed as part of the 2017 Operating Budget.
- Capital expenditures are currently estimated to be up to $700,000 for required retrofits to the facility which will be funded from the DC shelter reserve (R3531).
- Staff from the Region will convene consultations with all organizations and partners who
serve the youth community in Peel to define long-term actions. This information, combined with the results of the research being undertaken, will be presented to Regional Council later this year. Additionally, at that time staff will report back with the final capital costs of the renovations and refined estimates of the operational costs.

- It is expected that long term strategies could be operational in 2018.

DISCUSSION

1. Background

Since the Homelessness Task Force report in 1999, Regional Council has supported both operational and capital funding with the intent of designing a homelessness system that is both flexible and responsive to emerging demographic changes and shifts in demand trends while utilizing a Housing First approach. Over the past 16 years, this system has been able to respond to humanitarian crises such as the influx of refugees, and apartment fires and floods, in addition to meeting the needs of Peel’s homeless population. The system as designed is able to accommodate increases in the level of demand and was created to include prevention activities, outreach services, emergency responses and transitional housing supports.

There is a lack of dedicated shelter beds in Brampton for youth. The current single shelter system has been supporting youth overflow from Our Place Peel and other youth who require shelter beds. As such, the Salvation Army and Our Place Peel have been partnering to provide youth dedicated supports in the adult shelter system since 2013. The goal is to enable youth to move from the adult shelters as soon as possible into an environment more suitable for their needs. The Region of Peel provides funding to Our Place Peel for these additional supports.

On February 11, 2016, Regional Council heard a delegation from Our Place Peel regarding concerns over the lack of dedicated emergency shelter beds for youth in Brampton. In response to the issues raised, staff were directed to find a short-term solution.

2. Proposed Interim Recommendation

In order to provide a response to the identified need, staff considered a number of options to find a short term solution. Average capacity in the current single shelter system, average length of stay and total youth accessing the current system (as outlined below) were identified as key inputs into the options explored and the recommended approach.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Max capacity</th>
<th>Average % capacity</th>
<th>Average length of stay</th>
<th>Youth beds in use (16-24)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilkinson</td>
<td>86</td>
<td>76%</td>
<td>6.43 days</td>
<td>243</td>
</tr>
<tr>
<td>Cawthra</td>
<td>119</td>
<td>65%</td>
<td>8.66 days</td>
<td>292</td>
</tr>
</tbody>
</table>

- 2015 data
- Q1 of 2016 has shown that use of adult shelter beds by youth has remained consistent with 2015 data.
After considering options, it is recommended that as an interim measure the existing vacant property located at 1B Knightsbridge, previously known as the Region of Peel’s Chinguacousy Learn Play Care Centre site, be modified to become a dedicated interim youth shelter for ages 16-24 yrs. This location could be operational by the end of the summer (depending on the time required to obtain the necessary permits and complete the renovation) and would allow for dedicated youth shelter space without compromising the existing adult shelter system.

Advantages of this option include:

- Existing contracts with service providers for the operations of Regionally Owned shelters can be amended to include this fourth facility;
- It is close to a main transit hub;
- It is close to services, supports and amenities;
- The capital investment in this facility would remain within the system as part of the long term strategy or as a repurposed asset, and
- There is no impact on the 20,000 homes campaign and registration week (as the existing adult shelter system remains intact).

Other options were initially considered, however, Peel Regional Police and other key community partners identified concerns with options that would have temporarily displaced single adult beds from Brampton. By expanding the shelter system with this fourth site, the existing system for adults is maintained while ensuring that Brampton youth needs are met.

Implementation of this recommendation will require that while renovations are in progress, the current model of sheltering youth in available beds in the adult system be continued. Based on historical usage and capacity there are, on average, 62 beds available in the single shelter system that can be used for Our Place Peel overflow as well as other youth needing sheltering. As part of the Region’s existing shelter standards all individuals including youth, who require an emergency shelter bed, will have access; no one is left without a place to go at night.

3. Long Term Strategy Development

On February 11, 2016, Regional Council approved the use of $143,000 of Investment in Affordable Housing administration funding to support procurement of an external vendor to administer a research project that would include the collection and analysis of data related to homelessness in Peel, as highlighted in the report of the acting Commissioner of Human Services, titled “Addressing Homelessness In Peel – Update” (Resolution #2016-88). In conjunction with other research partnerships in Peel that focus specifically on the root causes of youth homelessness, this project will identify any homelessness system gaps and will inform strategic evidence-informed recommendations for Council’s future consideration. In addition, staff will have the ability to capture critical data on demand and demographics on usage from the interim dedicated youth shelter. This will help inform the longer term recommendations for the system and for youth homelessness specifically.

Several other related initiatives are currently taking place and regional staff is working to ensure there is coordination of efforts and alignment with the principles of the 10-year Housing and Homelessness plan. Region of Peel and the United Way of Peel (UW) are participating in a research project led by Peel Children and Youth Initiative (PCYI) that aims to identify and inform the youth strategy within the broader Homelessness System.
recommendations. The Strategy will be a comprehensive and integrated approach informed by local data and best practices. Our Place Peel is also leading a youth homelessness needs and strategic planning assessment. These youth-focused research teams have met to confirm their work is aligned and complementary. Evidence-informed recommendations for the long-term resulting from the research projects will be brought back to Regional Council, along with final capital costs and refined estimates of the operating costs.

4. Operational Considerations

All Regionally owned shelters including this recommended option have the following supports and services:

- Meals and laundry
- Financial assistance (Ontario Works)
- Housing search support
- Life skills and employability training
- Health care (physical, mental health, and addictions support)
- Recreational activities

In addition to supports provided to residents while in the shelter, upon leaving aftercare is provided to ensure that supports are in place to help maintain accommodations and live independently. Youth who are supported in the current shelter system and those who seek shelter at this proposed site, will be provided these supports plus enhanced youth-focused programming support.

FINANCIAL IMPLICATIONS

The proposed recommendation requires expenditures of up to $500,000 to fund the operations of the proposed youth shelter for 2016. Funding for the 2016 operations will be provided through a one-time draw from the General Government Working Fund (R1250) if operational savings are insufficient to fund the program. The estimated annual operating costs are $1.2 million, which includes an annual capital reserve contribution to fund the future state of good repair of the shelter. The 2017 operating costs will be addressed as part of the 2017 Operating Budget process.

The proposed capital expenditures of up to $700,000 to repurpose the facility will be funded from the Development Charge Shelters Reserve (R3531).
CONCLUSION

Staff is recommending this interim solution to address the needs of homeless youth in Brampton. Staff will return to Regional Council later this year with long-term recommendations to address this issue, and finalized capital and operational costs of the interim plan. It is expected that long term strategies could be operational in 2018.

Through collaboration with system partners and community stakeholders, and research a long term strategy to identify gaps in Peels Homelessness System will be developed. Peel’s 10-year Housing and Homelessness Plans goal that “Everyone has a home and homelessness is eliminated”, will be the foundation of all recommendations moving forward.

Janice Sheehy, Commissioner of Human Services

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I – Youth Homelessness Service System Map

For further information regarding this report, please contact Grace Caron, Acting Director, Community Access, Extension 8300, grace.caron@peelregion.ca.

Authored By: Laura Tribble

Reviewed in workflow by:

Financial Support Unit
An Overview of the Homelessness Service System in Peel

Presentation to Regional Council
April 2016
Agenda

- Defining homelessness
- Evolution of the homelessness service system in Peel
- Continuum of supports and services
- Funding of supports and services
- Youth homelessness and Peel’s action plan
- Questions
Defining Homelessness

- Homelessness describes the situation of an individual or family without stable, permanent, appropriate housing, or the immediate prospect, means and ability of acquiring it.

- It is the result of systemic or societal barriers, a lack of affordable and appropriate housing, the individual/household’s financial, mental, cognitive, behavioural or physical challenges, and/or racism and discrimination.

- Most people do not choose to be homeless, and the experience is generally negative, unpleasant, stressful and distressing.

*Defined by the Canadian Observatory on Homelessness (COH)*
Evolution of the Homelessness Service System in Peel

• In 1999, Regional Council established a task force to respond to the need for a long-term comprehensive solution to homelessness in Peel.

• Since then, Regional Council has supported both operational and capital funding with the intent of designing a homelessness system that is flexible and responsive to emerging changes and shifts in demand.

• Peel’s response to homelessness has evolved from isolated emergency responses to a collaborative and integrated ‘housing first’ approach.
Typology of Homelessness

- **Unsheltered**
  - E.g., living on the streets

- **Emergency Sheltered**
  - E.g., victim of family violence shelter

- **Provisionally Housed**
  - E.g., transitional housing

- **At Risk of Homelessness**
  - E.g., pending eviction

*Developed by the Canadian Observatory on Homelessness (COH)*
Continuum of Supports and Services in Peel

Unsheltered
- Street outreach program

Emergency Sheltered
- Emergency shelter services

Provisionally Housed
- Transitional housing services
- Supportive housing services

At Risk of Homelessness
- Transitional support program
- Preventing Homelessness in Peel Program
Street Outreach Program

- The Region partners with the Canadian Mental Health Association (CMHA), Peel Addiction Assessment and Referral Centre (PAARC), and St. Leonard's Place Peel to provide short-term support to individuals who are homeless or imminent risk of homelessness.

- The outreach program staff meet with individuals directly in the community in an effort to increase accessibility and helps people meet basic needs in an effort to enhance stability.
Emergency Shelter Services

• Emergency shelters provide individuals and families experiencing homelessness with short-term accommodations

• In addition to providing sleeping arrangements and meals, emergency shelters provide residents with access to a network of services and resources

• The emergency shelter system in Peel consists of Regionally-owned and community-owned shelters

• Regional shelter standards: no one is left without a shelter bed and no one is discharged to the streets
## Regionally-Owned Emergency Shelters

<table>
<thead>
<tr>
<th>Facility</th>
<th>Population Served</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cawthra Road Shelter, Mississauga</td>
<td>Males and females 16+ years</td>
<td>119 beds</td>
</tr>
<tr>
<td>Peel Family Shelter, Mississauga</td>
<td>Families</td>
<td>60 units (225 people)</td>
</tr>
<tr>
<td>Wilkinson Road Shelter, Brampton</td>
<td>Males 16+ years</td>
<td>86 beds</td>
</tr>
</tbody>
</table>
# Community-Owned Emergency Shelters

<table>
<thead>
<tr>
<th>Facility</th>
<th>Population Served</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Our Place Peel</strong> Mississauga</td>
<td>Youth 16-21 years of age</td>
<td>14 beds</td>
</tr>
<tr>
<td><strong>Family Life Resource Centre</strong> Brampton</td>
<td>Families impacted by domestic violence</td>
<td>18 units (54 beds)</td>
</tr>
<tr>
<td><strong>Interim Place I and II Peel</strong></td>
<td>Families impacted by domestic violence</td>
<td>14 units per site (54 beds total)</td>
</tr>
</tbody>
</table>
Transitional Housing Facilities

- Transitional housing provides supportive accommodations for up to one year for individuals and families who are homeless or who have experienced shelter use.

- Support services are delivered onsite to help stabilize the lives of formerly homeless households, develop residents’ personal capacities and self-sufficiency, and advance their re-integration into Peel’s broader community.

- The transitional housing system in Peel consists of Regionally-owned and community-owned facilities.
# Regionally-Owned Transitional Housing Facilities in Peel

<table>
<thead>
<tr>
<th>Facility</th>
<th>Population Served</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angela’s Place Mississauga</td>
<td>Families</td>
<td>20 units</td>
</tr>
<tr>
<td>Peel Youth Village Mississauga</td>
<td>Youth 16-30 years of age</td>
<td>48 units</td>
</tr>
</tbody>
</table>
Community-Owned Transitional Housing Facilities in Peel

<table>
<thead>
<tr>
<th>Facility</th>
<th>Population Served</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Our Place Peel, Mississauga</strong></td>
<td>Youth 16-21 years of age</td>
<td>6 beds</td>
</tr>
<tr>
<td><strong>St. Leonard’s Place, New Leaf Program, Brampton</strong></td>
<td>Males 18+ years</td>
<td>18 beds</td>
</tr>
</tbody>
</table>
Supportive Housing in Peel

• Formerly referred to as domiciliary hostels

• Supportive housing services provide people with special needs (e.g., acquired brain injuries) with subsidized rental accommodation and support services to help them live independently

• The Region partners with community agencies to deliver supportive housing services in Peel
## Supportive Housing Facilities in Peel

<table>
<thead>
<tr>
<th>Facility</th>
<th>Population Served</th>
<th>Regionally-Funded Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Genesis Lodge</td>
<td>Males 18+ years</td>
<td>6 beds</td>
</tr>
<tr>
<td>Brampton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oliver House</td>
<td>Males and females 18+ years</td>
<td>3 beds</td>
</tr>
<tr>
<td>Caledon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Leonard’s Place</td>
<td>Males 18+ years</td>
<td>24 beds</td>
</tr>
<tr>
<td>Brampton</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Transitional Support Program

- Ontario Works clients who have a history of homelessness or who are struggling to maintain their housing or financial assistance can be referred to the Transitional Support Program by their Ontario Works caseworker.

- The caseworkers attached to this program provide intensive supports directly in the community to help clients maintain housing and support client-identified goals (e.g., addressing legal issues, family reunification).
Eviction Prevention Programs

- The Region delivers the Preventing Homelessness in Peel Program (PHIPP)

- PHIPP is intended to provide one-time emergency assistance to residents in an effort to keep them housed

- PHIPP helps with rental, mortgage, and utility arrears, as well as home renovations and repairs assistance
Funding of Supports and Services

- In Peel, the homelessness service system is funded by:
  - The Province of Ontario’s (MMAH) Community Homelessness Prevention Initiative (CHPI)
  - Regional contributions
Youth Homelessness in Peel

• On February 11, 2016, Regional Council heard a delegation from Our Place Peel regarding concerns over the lack of dedicated emergency shelter beds for youth in Brampton.

• Youth are accessing the available beds in emergency shelters intended for single adults.

• As a result, Regional Council directed staff to find an immediate short-term solution to the issues raised.
Shelter Usage by Youth in 2015

Data on youth (16-24 years) accessing Regionally-owned emergency shelters for single males and females in 2015

<table>
<thead>
<tr>
<th>Facility</th>
<th>Number of unique individuals 16-24 years served</th>
<th>Average length of stay in days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cawthra Road Shelter Mississauga</td>
<td>292</td>
<td>7.93</td>
</tr>
<tr>
<td>Wilkinson Road Shelter Brampton</td>
<td>243</td>
<td>6.09</td>
</tr>
</tbody>
</table>

Source: Homeless Individuals and Families Information System (HIFIS)
Action Plan in Response to Council’s Direction on Youth Homelessness

Interim Recommendation

• Staff are recommending that the vacant building located at 1B Knightsbridge, previously the Chinguacousy Learn Play Care Centre, be converted to a dedicated interim youth emergency shelter

• Goal for site to be operational by late summer 2016

• While renovations are in progress, the current shelter model would continue, with the single adult system providing accommodations for any youth requiring shelter, including overflow from Our Place Peel
Programs and Services to be offered

- 20-30 bed emergency shelter facility for ages 16-24 years
- Operational 24/7
- Meals and laundry
- Financial assistance (Ontario Works)
- Housing search support
- Life skills and employability training
- Health care (physical, mental health, and addictions support)
- Recreational activities
- Aftercare supports upon discharge
- Youth specific staff and programming
Action Plan in Response to Council’s Direction on Youth Homelessness

Long Term Strategy Development

• Staff from the Region will convene consultations with all organizations and partners who serve the youth community in Peel to define long-term actions combined with the results of the research which will be presented to Regional Council later this year

• It is expected that long term strategies could be operational in 2018
Contacts

Grace Caron, Acting Director
Community Access Division, Human Services Department
905-793-9200 ext. 8300
grace.caron@peelregion.ca

Leslie Moreau, Acting Manager
Community Access Division, Human Services Department
905-793-9200 ext. 8269
leslie.moreau@peelregion.ca
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ITEMS RELATED TO ENTERPRISE PROGRAMS AND SERVICES
DATE: April 5, 2016

REPORT TITLE: 2016 FINAL LEVY BY-LAW

FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

RECOMMENDATION

That the 2016 Operating Budget be adjusted to include the technical adjustment as outlined in the report of the Commissioner of Finance and Chief Financial Officer, titled “2016 Final Levy By-law”;

And further, that the necessary by-law be presented for enactment which apportions the 2016 Regional net levy requirement of $965,794,119 to the Cities of Brampton and Mississauga and the Town of Caledon, in accordance with the Council-approved apportionment formula, attached as Appendix I to the subject report.

REPORT HIGHLIGHTS

- The net property tax levy requirements of $965.8 million for 2016 to be apportioned to the lower-tier municipalities in accordance with the Council approved apportionment formula.
- The Regional property tax levy due dates correspond with the lower-tier municipalities tax collection dates.
- The Regional and lower-tier municipal finance staff have agreed with the 2016 tax instalment plan.
- A by-law is to be enacted as per section 311 of the Municipal Act, 2001, as amended, S.O. 2001, c. 25.

DISCUSSION

1. Background

At its meeting held on December 3, 2015 Regional Council approved the 2016 Operating Budget and authorized the Commissioner of Finance and Chief Financial Officer to present the necessary levy by-law to Regional Council.
2016 FINAL LEVY BY-LAW

10.1-2

Technical Adjustment to the 2016 Operating Budget

The approved 2016 Operating Budget included a projected assessment growth of 1.30 per cent. The actual assessment growth based on the 2016 returned assessment roll was 1.32 per cent resulting in a surplus of $184,663. It is proposed that this surplus be used to support the following technical adjustment to the 2016 Tax Supported Budget which will maintain the 1.9 per cent budget impact approved by Council.

<table>
<thead>
<tr>
<th>Total Budget ($000's)</th>
<th>Net Levy ($000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget approved December 3, 2015</td>
<td>$2,142,242</td>
</tr>
</tbody>
</table>

Technical Adjustment

Non Program / Internal Support

- Working Funds Assessment Reserve (R1213) 185 185

Revised 2016 Operating Budget

<table>
<thead>
<tr>
<th>Total Budget ($000's)</th>
<th>Net Levy ($000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,142,427</td>
<td>$965,794</td>
</tr>
</tbody>
</table>

2. Apportionment Plan

The allocation of the 2016 levy has been developed in accordance with the Regional apportionment plan. Waste management costs are apportioned based on the relative lower-tier municipal household counts according to the returned assessment roll data provided by the Municipal Property Assessment Corporation (MPAC). Peel Regional Police costs are apportioned between Mississauga and Brampton based on transition ratio weighted Current Value Assessment (CVA). Caledon fully assumes the costs of the Ontario Provincial Police contract. The remaining Regional services are apportioned among the lower-tier municipalities according to relative shares of transition ratio weighted CVA. The apportionment of all the costs is outlined in Appendix I and Appendix II (as attached) and shows the weighted CVA used to establish the apportionment shares.

a) 2016 Regional Tax Levy Apportionment

After deducting the value of funds that have been raised through the interim levy of $467.6 million, the final tax levy by-law is required to raise the remaining 2016 balance of $498.2 million as shown in the following table:

<table>
<thead>
<tr>
<th>Final Levy Payment to the Region of Peel</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Net Levy</td>
</tr>
<tr>
<td>Mississauga</td>
</tr>
<tr>
<td>Brampton</td>
</tr>
<tr>
<td>Caledon</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
b) Property Tax Levy Due Dates

Based on consultations with the lower-tier municipal finance staff, it is proposed that the final levy payment to the Region of Peel will be made in accordance with the instalment schedules set by the lower-tier municipalities. The City of Mississauga will have a total of nine instalments which reflect the final tax bill instalment due dates plus the monthly pre-authorized payment plan receipts. The City of Brampton will have a total of four instalments, while the Town of Caledon will have a total of two instalments. The lower-tier final levy payment dates to the Region are one day after the local instalment due dates and are as indicated in the following table.

<table>
<thead>
<tr>
<th>Due Date to Region</th>
<th>City of Mississauga</th>
<th>City of Brampton</th>
<th>Town of Caledon</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 8, 2016</td>
<td>$40,081,093</td>
<td>---</td>
<td>$11,967,140</td>
</tr>
<tr>
<td>July 15, 2016</td>
<td>6,879,590</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>July 21, 2016</td>
<td>---</td>
<td>44,308,033</td>
<td>---</td>
</tr>
<tr>
<td>August 5, 2016</td>
<td>131,908,669</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>August 15, 2016</td>
<td>15,852,969</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>August 25, 2016</td>
<td>---</td>
<td>58,369,684</td>
<td>---</td>
</tr>
<tr>
<td>September 2, 2016</td>
<td>40,081,092</td>
<td>---</td>
<td>11,967,140</td>
</tr>
<tr>
<td>September 15, 2016</td>
<td>16,152,082</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>September 22, 2016</td>
<td>---</td>
<td>58,369,684</td>
<td>---</td>
</tr>
<tr>
<td>October 17, 2016</td>
<td>16,152,082</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>October 20, 2016</td>
<td>---</td>
<td>14,061,650</td>
<td>---</td>
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<tr>
<td>November 15, 2016</td>
<td>16,152,082</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>December 15, 2016</td>
<td>15,852,969</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$299,112,628</strong></td>
<td><strong>$175,109,051</strong></td>
<td><strong>$23,934,280</strong></td>
</tr>
</tbody>
</table>

3. Final Levy By-law

As per section 311 of the *Municipal Act, 2001*, as amended, a by-law needs to be passed to adopt estimates of all sums required during the year 2016 for the purposes of the Regional Corporation and to provide a general levy and special levies to be raised from the lower-tier municipalities.
CONCLUSION

The proposed timing and instalment method for the final Regional levy provides for the timely payment of funds to the Region of Peel by the lower-tier municipalities so that it may meet its program funding obligations.

Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I – 2016 Property Tax Apportionment Calculations
2. Appendix II – Current Value Assessment for 2016 Taxation & Weighted Assessment for 2016 Apportionment

For further information regarding this report, please contact Dave Bingham at extension 4292 or via email at binghamd@peelregion.ca.

Authored By: Louise Cooke

Reviewed in workflow by:
Legal Services
## REGIONAL MUNICIPALITY OF PEEL
### 2016 PROPERTY TAX APPORTIONMENT CALCULATIONS

<table>
<thead>
<tr>
<th></th>
<th>City of Mississauga</th>
<th>City of Brampton</th>
<th>Town of Caledon</th>
<th>Region of Peel</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total General Levy Excluding Waste &amp; Police</strong></td>
<td>288,681,904</td>
<td>163,455,655</td>
<td>28,966,342</td>
<td>481,103,901</td>
</tr>
<tr>
<td><strong>2016 Share of Gross General Levy Exc. Waste &amp; Police</strong></td>
<td>60.00407%</td>
<td>33.97513%</td>
<td>6.02081%</td>
<td>100.00000%</td>
</tr>
<tr>
<td><strong>2016 Peel Region Policing Net Expenditure</strong></td>
<td>238,041,319</td>
<td>134,782,261</td>
<td>-</td>
<td>372,823,580</td>
</tr>
<tr>
<td><strong>2016 OPP Policing of Caledon Net Expenditure</strong></td>
<td>-</td>
<td>-</td>
<td>12,252,918</td>
<td>12,252,918</td>
</tr>
<tr>
<td><strong>Total Police Levy</strong></td>
<td>238,041,319</td>
<td>134,782,261</td>
<td>12,252,918</td>
<td>385,076,498</td>
</tr>
<tr>
<td><strong>2016 Share of Peel Region Police</strong></td>
<td>63.84825%</td>
<td>36.15175%</td>
<td>0.00000%</td>
<td>100.00000%</td>
</tr>
<tr>
<td><strong>2016 Share of OPP</strong></td>
<td>0.00000%</td>
<td>0.00000%</td>
<td>100.00000%</td>
<td>100.00000%</td>
</tr>
<tr>
<td><strong>Total 2016 Net Waste Management Levy</strong></td>
<td>56,417,019</td>
<td>38,071,559</td>
<td>5,125,142</td>
<td>99,613,720</td>
</tr>
<tr>
<td><strong>2016 Share Based on Households</strong></td>
<td>56.63579%</td>
<td>38.21919%</td>
<td>5.14502%</td>
<td>100.00000%</td>
</tr>
<tr>
<td><strong>Tax Supported Net Expenditures</strong></td>
<td>583,140,242</td>
<td>336,309,475</td>
<td>46,344,402</td>
<td>965,794,119</td>
</tr>
<tr>
<td><strong>2016 Average Share</strong></td>
<td>60.37935%</td>
<td>34.82207%</td>
<td>4.79858%</td>
<td>100.00000%</td>
</tr>
</tbody>
</table>
## Regional Municipality of Peel
### Current Value Assessment for 2016 Taxation

<table>
<thead>
<tr>
<th>TAX CLASSES</th>
<th>Class Qualifier</th>
<th>Mississauga</th>
<th>Brampton</th>
<th>Caledon</th>
<th>Peel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td>T</td>
<td>95,817,009,986</td>
<td>61,539,137,396</td>
<td>11,614,138,720</td>
<td>168,970,286,102</td>
</tr>
<tr>
<td>Awaiting Development I</td>
<td>1</td>
<td>39,814,000</td>
<td>4,732,500</td>
<td>580,000</td>
<td>45,126,500</td>
</tr>
<tr>
<td>Multi Residential</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td>4, T</td>
<td>4,022,865,100</td>
<td>1,461,197,400</td>
<td>34,021,000</td>
<td>5,518,083,500</td>
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<tr>
<td>Awaiting Development I</td>
<td>1</td>
<td>31,343,000</td>
<td>11,801,000</td>
<td>-</td>
<td>43,144,000</td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td>4, H, M, T</td>
<td>25,920,824,323</td>
<td>10,185,617,638</td>
<td>1,293,661,578</td>
<td>37,400,103,539</td>
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<tr>
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<td>1</td>
<td>128,065,000</td>
<td>-</td>
<td>542,000</td>
<td>128,607,000</td>
</tr>
<tr>
<td>Vacant/Excess Land</td>
<td>J, U, X, K</td>
<td>617,914,889</td>
<td>483,427,248</td>
<td>70,315,290</td>
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<tr>
<td>Industrial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td>4, H, I, M, T</td>
<td>4,697,830,614</td>
<td>2,584,218,935</td>
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<td>7,694,280,568</td>
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<td>76,650,000</td>
<td>19,314,000</td>
<td>3,210,000</td>
<td>99,174,000</td>
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<tr>
<td>Vacant/Excess Land</td>
<td>J, U, X, K</td>
<td>579,450,149</td>
<td>221,031,643</td>
<td>212,461,303</td>
<td>1,012,943,095</td>
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<tr>
<td>Farm Land</td>
<td></td>
<td>4,203,400</td>
<td>200,793,000</td>
<td>924,977,050</td>
<td>1,129,973,450</td>
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<tr>
<td>Managed Forest</td>
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<td>564,600</td>
<td>2,157,000</td>
<td>88,925,800</td>
<td>91,647,400</td>
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<tr>
<td>Pipeline</td>
<td></td>
<td>141,966,000</td>
<td>145,908,000</td>
<td>19,136,000</td>
<td>307,010,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>132,078,501,061</td>
<td>76,859,335,760</td>
<td>14,674,199,760</td>
<td>223,612,036,581</td>
</tr>
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</table>

### Weighted Assessment for 2016 Apportionment

<table>
<thead>
<tr>
<th>TAX CLASSES</th>
<th>Transition</th>
<th>Ratio</th>
<th>Discount</th>
<th>Mississauga</th>
<th>Brampton</th>
<th>Caledon</th>
<th>Peel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td></td>
<td>1.0000</td>
<td>0%</td>
<td>95,817,009,986</td>
<td>61,539,137,396</td>
<td>11,614,138,720</td>
<td>168,970,286,102</td>
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<tr>
<td>Awaiting Development I</td>
<td></td>
<td>1.0000</td>
<td>70%</td>
<td>11,944,200</td>
<td>1,419,750</td>
<td>174,000</td>
<td>13,537,950</td>
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<tr>
<td>Multi Residential</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Fully Taxable</td>
<td></td>
<td>1.7336</td>
<td>0%</td>
<td>6,974,038,937</td>
<td>2,533,131,813</td>
<td>58,978,806</td>
<td>9,566,149,556</td>
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<tr>
<td>Awaiting Development I</td>
<td></td>
<td>1.0000</td>
<td>70%</td>
<td>9,402,900</td>
<td>3,540,300</td>
<td>-</td>
<td>12,943,200</td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td></td>
<td>1.2971</td>
<td>0%</td>
<td>33,621,901,229</td>
<td>13,211,764,638</td>
<td>1,678,008,433</td>
<td>48,511,674,300</td>
</tr>
<tr>
<td>Awaiting Development I</td>
<td></td>
<td>1.0000</td>
<td>70%</td>
<td>38,419,500</td>
<td>-</td>
<td>162,600</td>
<td>38,582,100</td>
</tr>
<tr>
<td>Vacant/Excess Land</td>
<td></td>
<td>1.2971</td>
<td>30%</td>
<td>561,048,182</td>
<td>438,937,438</td>
<td>63,844,174</td>
<td>1,063,829,794</td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Taxable</td>
<td></td>
<td>1.5986</td>
<td>0%</td>
<td>7,509,952,020</td>
<td>4,131,132,389</td>
<td>658,992,507</td>
<td>12,300,076,916</td>
</tr>
<tr>
<td>Awaiting Development I</td>
<td></td>
<td>1.0000</td>
<td>70%</td>
<td>22,995,000</td>
<td>5,794,200</td>
<td>963,000</td>
<td>29,752,200</td>
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<tr>
<td>Vacant/Excess Land</td>
<td></td>
<td>1.5986</td>
<td>30%</td>
<td>648,416,306</td>
<td>247,338,829</td>
<td>237,748,447</td>
<td>1,133,503,582</td>
</tr>
<tr>
<td>Farm Land</td>
<td></td>
<td>0.2500</td>
<td>0%</td>
<td>1,050,850</td>
<td>50,198,250</td>
<td>231,244,263</td>
<td>282,493,363</td>
</tr>
<tr>
<td>Managed Forest</td>
<td></td>
<td>0.2500</td>
<td>0%</td>
<td>141,150</td>
<td>539,250</td>
<td>22,231,450</td>
<td>22,911,850</td>
</tr>
<tr>
<td>Pipeline</td>
<td></td>
<td>0.9239</td>
<td>0%</td>
<td>131,162,387</td>
<td>134,804,401</td>
<td>17,679,750</td>
<td>283,646,538</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>145,347,482,647</td>
<td>82,297,738,654</td>
<td>14,584,166,150</td>
<td>242,229,387,451</td>
</tr>
</tbody>
</table>

| General levy shares  | 60.00407% | 33.97513% | 6.02081% | 100.00000% |
| Peel Regional Police Shares | 63.84825% | 36.15175% | 0.00000% | 100.00000% |
DATE: April 6, 2016

REPORT TITLE: 2015 OPERATING FINANCIAL TRIANNUAL PERFORMANCE REPORT - YEAR END (UNAUDITED)

FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

RECOMMENDATION

That the 2015 surplus management actions and administrative adjustments, as outlined in the report of the Commissioner of Finance and Chief Financial Officer, titled “2015 Operating Financial Performance Triannual Report – Year End (Unaudited),” be implemented;

And further, that a reserve transfer of $8.3 million from Wastewater Capital Reserve (R0242) to Wastewater Rate Stabilization Reserve (R0012), as outlined in the subject report, be approved;

And further, that the credits from accounts in the Water and Wastewater billing system prior to August 1, 2012 totaling $299,104, be recognized as 2015 revenue as outlined in the subject report.

REPORT HIGHLIGHTS

- Regional Council approved the 2015 Operating Budget of $2.0 billion to provide funding for the Region to continue delivering services and meet the service needs of the residents and the service demands of a growing community
- The Region of Peel ended the year with an overall surplus of $21.2 million or a variance of 1.7 per cent relative to both net tax levy and utility rate total billing revenues in the Tax and Utility Rate supported programs, within the budget accuracy target range of plus or minus 3 per cent
- The recommended surplus and reserve management actions included in this report are in line with Peel’s Long Term Financial Planning Strategy as they support Financial Flexibility, Financial Vulnerability and Financial Sustainability
- A companion capital performance report for 2015 will be provided to Regional Council to provide more analytics on the capital program
DISCUSSION

1. Background

In February 2015, Regional Council approved a $2.4 billion 2015 Budget, including $2.0 billion in operating funding for Regional services and $0.4 billion capital investment in Peel’s infrastructure.

The approved 2015 Operating Budget of $2.0 billion includes $412 million to Peel’s externally financed agencies: Peel Regional Police, Ontario Provincial Police, and three Conservation Authorities. The budget provides the Region with the funding to support the following community needs:

- 17,000 Ontario Works cases per month
- 48 ambulances on the road at peak times to respond to 104,700 9-1-1 calls annually
- 583,000 accessible transportation trips
- 19,483 social housing units/beds/homes
- 8,000 subsidized child care spaces provided annually, 1,355 which support children with special needs
- 1,655.5-lane kilometres of roads, 172 structures and 452 signalized intersections
- More than 500,000 tonnes of waste managed per year
- Provide 703 beds, including four temporary beds, in our five long term care homes
- 50,000 children are offered dental screening annually, 11,000 of whom are in need of urgent treatment
- 10,100 health inspections held annually at 5,690 food premises
- 663 million litres per day of wastewater collected and treated for approximately 308,000 retail and wholesale customer accounts
- 608 million litres per day of municipal water treated, transmitted, and distributed to 315,000 retail and wholesale customer accounts
- Over 225,000 calls for service were responded to in Mississauga and Brampton by Peel Regional Police; and 27,257 by Ontario Provincial Police in Caledon annually
- 34,250 hectares of area regulated through conservation authorities to protect life and property of Peel residents from hazards due to flooding, erosion and slope failure and approximately 150,000 trees, shrubs and seedlings planted annually

The Region of Peel’s (The “Region”) operating budgets are developed based on the best information available at the time of budget preparation. Budget assumptions are modeled and projected, e.g. social assistance caseload, 9-1-1 call volumes, winter events and water consumption etc. Risks are identified and mitigated where reasonable including utilizing Tax and Rate stabilization reserves to address volatility in weather conditions, economic cycles and one time initiatives or pilots to minimize the impact on the tax payer.

The Budget Policy requires that staff report the financial status of the organization at a minimum of twice yearly. This report provides an update on the financial results of the 2015 Operating Budget as at December 31, 2015.
2. Operating Results

The Region ended the year with an overall surplus of $21.2 million or a variance of 1.7 per cent relative to both net tax levy and utility rate total billing revenues, within the budget accuracy target range of plus or minus 3 per cent.

As in Table 1 below, the overall year-end position is a combined result of Tax Supported Programs which generated a surplus of $29.5 and the Utility Rate Supported Programs which had a deficit of $8.3 million. Appendix I and II provide details on the year-end service delivery and operating financial results.

Table 1

<table>
<thead>
<tr>
<th></th>
<th>$ Millions</th>
<th>Total Expenditure Budget</th>
<th>Net Tax Levy/Total Billings Budget</th>
<th>Year-end Actual</th>
<th>Surplus/(Deficit)</th>
<th>% Variance to Net Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Supported</td>
<td>1,620.9</td>
<td>935.3</td>
<td>905.8</td>
<td>29.5</td>
<td>3.2%</td>
<td></td>
</tr>
<tr>
<td>Utility Rate Supported</td>
<td>430.1</td>
<td>332.7</td>
<td>341.0</td>
<td>(8.3)</td>
<td>(2.5%)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Region of Peel</strong></td>
<td><strong>2,051.0</strong></td>
<td><strong>1,268.0</strong></td>
<td><strong>1,246.8</strong></td>
<td><strong>21.2</strong></td>
<td><strong>1.7%</strong></td>
<td></td>
</tr>
</tbody>
</table>

a) Tax Supported Programs

As outlined in Table 2 below, Tax Supported Programs ended the year with a surplus of $29.5 million, representing a variance of 3.2 per cent of the Tax Supported net levy of $935.3 million. One third or $10.2 million of the surplus is due to unanticipated revenue.

Table 2

<table>
<thead>
<tr>
<th></th>
<th>$ Millions</th>
<th>Total Expenditure Budget</th>
<th>Net Expenditure Budget</th>
<th>Year-end Actual</th>
<th>Surplus/(Deficit)</th>
<th>% Variance to Net Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regionally Controlled Tax Programs</td>
<td>1,165.8</td>
<td>523.3</td>
<td>501.0</td>
<td>22.3</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td>External Agencies</td>
<td>455.1</td>
<td>412.0</td>
<td>404.8</td>
<td>7.2</td>
<td>1.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,620.9</strong></td>
<td><strong>935.3</strong></td>
<td><strong>905.8</strong></td>
<td><strong>29.5</strong></td>
<td><strong>3.2%</strong></td>
<td></td>
</tr>
</tbody>
</table>

i) Regionally Controlled Tax Supported Programs

Of the Regionally Controlled Tax Supported Programs’ surplus of $22.3 million, one third of the total surplus or $7.7 million was due to unanticipated external funding and the impact of the commodity market prices which are inherently difficult to control or foresee. The remaining surplus of $14.6 million represents a budget variance of 2.8 per cent, within the budget accuracy target range of plus or minus 3 per cent.

Appendix III provides further details on the major drivers for the 2015 budget variances.
ii) Regionally Financed External Agencies

The Regionally Financed External Agencies ended the year with a total surplus of $7.2 million or a variance of 1.8%. The majority of the surplus was from Peel Regional Police ($6.4 million). Peel Regional Police’s year-end surplus is primarily due to one-time wage savings, favourable fuel costs and recoveries related to the Pan Am & Para Pan Am Games.

b) Utility Rate Supported Programs

As outlined in Table 3 below, the Utility Rate Supported programs ended the year with a deficit of $8.3 million, representing a variance of a minus 2.5 per cent of total billing budget of $332.7 million. This deficit is predominantly driven by lower Peel Direct Billings due to lower consumption. The lower direct billing revenue is partially offset by lower chemical costs and higher Quality Sewer Surcharges.

Table 3

<table>
<thead>
<tr>
<th>$ Millions</th>
<th>Budget</th>
<th>Year-end Actual</th>
<th>Surplus/ (Deficit)</th>
<th>% Variance to Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water/Wastewater</td>
<td>332.7</td>
<td>331.8</td>
<td>0.9</td>
<td>0.3%</td>
</tr>
<tr>
<td>Net Expenditures before Billings</td>
<td>303.3</td>
<td>292.6</td>
<td>(10.7)</td>
<td>(3.5%)</td>
</tr>
<tr>
<td>Peel Direct Billings</td>
<td>29.4</td>
<td>30.9</td>
<td>1.5</td>
<td>5.1%</td>
</tr>
<tr>
<td>Net</td>
<td>0</td>
<td>(8.3)</td>
<td>(8.3)</td>
<td>(2.5%)</td>
</tr>
</tbody>
</table>

c) Staffing Costs

People are a key investment in delivering services to Peel’s community. The Region closely monitors staffing activities. In 2015, Regionally Controlled Programs spent 98.1 per cent of the budgeted salary costs reflecting the accuracy of Peel’s budget model.

d) Surplus Management Allocations

In accordance with the Budget Policy and Reserve Management Policy the Chief Financial Officer is authorized to carry out the necessary surplus management actions in order to stabilize the current year’s fiscal position and future tax and utility rates. Appendix IV of the report provides a summary of the proposed surplus management actions in accordance with the policies.

i) Tax Supported Programs

Tax Supported Programs generated a total surplus of $29.5 million. Approximately $22.3 million was generated by Regionally Controlled Tax programs and $7.2 million was generated by Regionally Financed External Agencies.

The surplus generated by Peel Regional Police ($6.4 million) and by Ontario Provincial Police (OPP) – Caledon ($0.9 million) was allocated to Capital and Stabilization Reserves to support policing services. The deficit of $59 thousand
generated by Assessment Services was funded through Tax Supported General Rate Stabilization Reserve.

The remaining surplus of $22.3 million in Regionally Controlled Tax programs was allocated as outlined in Table 4 below.

Table 4

<table>
<thead>
<tr>
<th>Category</th>
<th>Surplus Allocation – Tax Supported</th>
<th>Amount (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Stabilization Reserves (Tax)</td>
<td>Public Health sub-reserve - to address emerging Public Health issue as identified in the 2016 Budget</td>
<td>$2.7</td>
</tr>
<tr>
<td></td>
<td>Senior Services sub-reserve – to operate enhanced and expanded Adult Day Services at four existing Region of Peel sites until June 30, 2017*</td>
<td>$1.52*</td>
</tr>
<tr>
<td></td>
<td>Emerald Ash Borer sub-reserve – to fund the temporary expenditures required by the Conservation Authorities in 2017 to address the Emerald Ash Borer problem as indicated in the 2016 Budget</td>
<td>$0.7</td>
</tr>
<tr>
<td></td>
<td>General Rate Stabilization sub-reserve (Tax) – to set aside funding for Disaster Relief sub-reserve to mitigate a portion of the costs of disasters not funded by the Province</td>
<td>$7.0</td>
</tr>
<tr>
<td>Capital Reserve (Tax)</td>
<td>Housing capital sub-reserve for new development – to address Peel’s waitlist for affordable housing</td>
<td>$10.4</td>
</tr>
</tbody>
</table>

* Allocation of $1.52 million was approved by Council on March 31, 2016 through the report titled “Proposed Allocation of Temporary Funding for Community Support Services”.

There is a new announcement under the Ontario Disaster Relief Assistance Program that limits the amount of funds to assist municipalities with disasters. For costs that reach 3 per cent of a municipality’s net tax levy ($28 million for Peel), 75 per cent (or $21 million) will be covered. For costs greater than 3 per cent, 95 per cent will be covered. Staff recommends creating a new sub-reserve to assist with the cost of potential disasters in the future.

ii) Utility Rate Supported Programs

Utility Rate Supported Programs ended the year with a deficit of $8.3 million (a surplus of $0.3 million in Wastewater and a deficit of $8.6 million in Water). To balance the year-end position, $8.3 million was drawn from Wastewater Stabilization Reserve. After this management action, the Utility Rate Supported Stabilization Reserve balance is 3.1 per cent of the total utility operating budget and is outside the target range of 5 per cent to 10 per cent as outlined in the Reserve Management Policy.

Staff recommends a transfer of $8.3 million from Wastewater Capital Reserve (R0242) to Utility Rate Stabilization – Wastewater Sub Reserve (R0012) to bring the balance of Utility Rate Stabilization Reserves to 5 per cent of the total 2016 Operating Budget of Utility Rate Supported Programs as required by the Reserve Management Policy. The Wastewater Capital Reserve will be assessed as part of
the annual reserve adequacy assessment to inform future capital infrastructure levy
requirements.

The above recommended surplus management actions support Peel’s overall long term
financial strategy by mitigating risks for financial flexibility, financial vulnerability and
sustainability of regional assets and services. These surplus allocations stabilize current
year’s fiscal position and the future tax and utility rates, as well as contribute to the
sustainability of the capital program.

e) Write-offs

Accounts Receivable Policy gives the Chief Financial Officer the authority to approve the
write-off of Water, Wastewater and General Receivable billings deemed uncollectable
and requires staff disclose through the tri-annual reporting process. The 2015 budget
includes provision for anticipated write-offs. Write-offs are only recorded when all means
of collection have been exhausted.

At the end of 2015, total write-offs amounted to a credit balance of $28 thousand, with
$88 thousand in General Receivables and a credit amount of $115 thousand in
Water/Wastewater Accounts Receivables. The total write-off amount is within the
estimate.

During the data conversion from the Water/Wastewater billing system (AquaPeel) to the
new system (CC & B), a decision was made not to convert the data prior to August 1,
2012. Most of the data that was not converted were credit balances on prior customer
accounts where at least three previous attempts made to refund these amounts were
unsuccessful. The total value of the credits that were taken into revenue was $299
thousand. In addition, the total amount that was written off for the same period was
$184 thousand resulting in an overall net credit of $115 thousand. Staff recommend that
the credits from accounts in the Water and Wastewater billing system prior to August 1,
2012 totaling $299,104 be recognized as 2015 revenue. Appendix V of the report
provides a summary of the write-offs for the 12-month period ending December 31, 2015

f) 2016 Outlook

As noted earlier in this report the annual budget is developed by reviewing trend
analysis, modeling risks etc. based on the best available information at the time. The
updated analysis of actual results informs the next planning cycle.

Examples of how changing assumptions and trends were incorporated in the 2016
Budget include:

- **Energy Costs** – electricity and natural gas rates were reviewed and updated
  based on trends, experience and external advice on market conditions
- **Provincial Funding** – adjusted program funding based on latest information
  available, e.g. Public Health, Long Term Care, Court Security Upload, Ontario
  Works Upload, etc.
- **Utility Rate Revenue** – adjusted consumption model based on trend analysis
  and strategic outcome to reduce revenue by 4.7 per cent
In 2016, staff will continue to review and monitor the impact of 2015 service demand and financial performance results to inform the 2017 Budget planning cycle. Budget assumptions will be updated and Regional Council will be informed through the 2017 budget.

3. Impact on Rate Stabilization Reserves (previously Working Fund Reserves)

The 2015 revised Budget provided a total of $10.4 million contingent Tax Rate Stabilization Reserve draws (including Police Services) to fund one time pressures and smooth out the tax impact associated with potential elevated social assistant cases and the impact of bi-weekly waste collection. There was no Utility Rate Stabilization Reserve draw budgeted for the Utility Rate supported programs.

Regional Council’s decision to utilize draws from Tax Rate Stabilization Reserves to address temporary pressures was prudent. In 2015, both Regionally Controlled programs and Police Services completed the year in surplus positions without requiring the budgeted contingent reserve draws. As a result the Region’s financial flexibility was maintained and property taxes were not unnecessarily increased.

4. 2015 Capital Performance

A companion report titled, “2015 Capital Performance and Impact on Capital Reserves and Reserve Funds” will be provided to Regional Council on April 14, 2016. The goal is to provide Regional Council with more details and analyses of the Region’s capital program to support Regional Council in making better informed decisions on the capital program.
CONCLUSION

In summary, in 2015, while facing changes in the economy, commodity market and weather, the Region continued to deliver services to meet the needs of the residents of a growing community. The surplus management actions are in line with Peel’s Long Term Financial Planning Strategy as they support both Financial Flexibility and Financial Sustainability.

Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I: 2015 Service Delivery Results
2. Appendix II: Statement of Net Expenditure
3. Appendix III: Operating Year End Position and Drivers
4. Appendix IV: 2015 Proposed Surplus Management Actions
5. Appendix V: Summary of 2015 Write-offs

For further information regarding this report, please contact Rob Elliot extension 2620 or via email: Rob.Elliot@peelregion.ca.

Authored By: Norman Lum
## 2015 Service Delivery Results

<table>
<thead>
<tr>
<th>Program</th>
<th>Service</th>
<th>Service Level Measure</th>
<th>2015 Target</th>
<th>2015 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. Tax Supported Programs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>a) Regionally Controlled Programs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Assistance</td>
<td>Provide support to social assistance clients</td>
<td>Number of clients supported monthly</td>
<td>17,000</td>
<td>17,541</td>
</tr>
<tr>
<td>Early Years and Child Care (EYCC)</td>
<td>Provide child care subsidies</td>
<td>Average number of child care subsidies</td>
<td>8,000</td>
<td>8,477</td>
</tr>
<tr>
<td></td>
<td>Support children with special needs</td>
<td>Number of children with special needs served</td>
<td>1,355</td>
<td>1,414</td>
</tr>
<tr>
<td>Housing</td>
<td>Provide social housing to vulnerable residents</td>
<td>Number of units/bed/homes</td>
<td>19,483</td>
<td>19,483</td>
</tr>
<tr>
<td>Paramedics</td>
<td>Operate ambulances on the road at peak times to respond to &quot;911&quot; calls</td>
<td>Number of ambulances operated</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of &quot;911&quot; calls responded</td>
<td>104,700</td>
<td>104,462</td>
</tr>
<tr>
<td>Seniors' Services</td>
<td>Provide long term care services to residents through five municipal long term care homes</td>
<td>Number of resident days</td>
<td>258,055</td>
<td>255,128</td>
</tr>
<tr>
<td></td>
<td>Provide Adult Day Services</td>
<td>Number of clients served per day</td>
<td>117</td>
<td>117</td>
</tr>
<tr>
<td>Public Health</td>
<td>Provide dental screening for children</td>
<td>Number of children screened</td>
<td>50,000</td>
<td>51,297</td>
</tr>
<tr>
<td></td>
<td>Manage immunization records</td>
<td>Number of records reviewed with progressive enforcement</td>
<td>179,377</td>
<td>91,359 *</td>
</tr>
<tr>
<td></td>
<td>Conduct inspections at food premises</td>
<td>Number of inspections conducted</td>
<td>10,100</td>
<td>10,085</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of food premises inspected</td>
<td>5,690</td>
<td>5,753</td>
</tr>
<tr>
<td>Transportation</td>
<td>Provide accessible transportation</td>
<td>Number of trips provided</td>
<td>583,000</td>
<td>572,840</td>
</tr>
<tr>
<td></td>
<td>Manage roads, structures and signalized intersections</td>
<td>Trips net of conventional</td>
<td>544,500</td>
<td>529,776</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lane kilometres of roads maintained</td>
<td>1,655</td>
<td>1,646</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of structures managed</td>
<td>172</td>
<td>175</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of signalized intersections managed</td>
<td>452</td>
<td>450</td>
</tr>
<tr>
<td>Waste Management</td>
<td>Manage waste</td>
<td>Tonnage of waste managed</td>
<td>500,000</td>
<td>507,839</td>
</tr>
<tr>
<td><strong>b) External Agencies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peel Regional Police (PRP)</td>
<td>Provide visible policing services in Brampton and Mississauga</td>
<td>Number of calls responded</td>
<td>225,000</td>
<td>226,000</td>
</tr>
<tr>
<td>Ontario Provincial Police (OPP)</td>
<td>Provide visible policing services in Caledon</td>
<td>Number of calls responded</td>
<td>27,257</td>
<td>22,268</td>
</tr>
<tr>
<td>Conservation Authorities</td>
<td>Protect life and property of Peel residents from hazards due to flooding, erosion and slope failure.</td>
<td>Hectares regulated</td>
<td>34,250</td>
<td>34,251 **</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of trees, shrubs and seedlings planted</td>
<td>150,000</td>
<td>134,251 **</td>
</tr>
<tr>
<td><strong>II. Utility Rate Programs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wastewater</td>
<td>Treat wastewater for customers</td>
<td>Number of customer accounts managed</td>
<td>308,000</td>
<td>309,845</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wastewater treated per day (in million litres)</td>
<td>663</td>
<td>601</td>
</tr>
<tr>
<td>Water</td>
<td>Treat and transmit water to customers</td>
<td>Number of customer accounts managed</td>
<td>315,000</td>
<td>314,745</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Water treated per day (in million litres)</td>
<td>608</td>
<td>607</td>
</tr>
</tbody>
</table>

*There is no risk involved as 100% of the records were reviewed. The education efforts were successful and more people updated their immunization without the need for enforcement by Public Health. Fewer issues than predicted.

**The variance is due to landowners changing their mind regarding their participation in the planting program.
### Region of Peel

**Net Expenditure Statement**
For the period ending: December 2015

<table>
<thead>
<tr>
<th></th>
<th>2015 Gross Revised Budget</th>
<th>2015 Net Revised Budget Prior to Surplus Management</th>
<th>Year-End Surplus/(Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C=(A-B)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>C=(A-B)</td>
<td>D=(C/A)</td>
</tr>
<tr>
<td><strong>Tax Supported Programs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Region Controlled Programs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Public Works</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Services</td>
<td>2,704</td>
<td>751</td>
<td>543</td>
</tr>
<tr>
<td>Transportation</td>
<td>85,520</td>
<td>79,176</td>
<td>78,664</td>
</tr>
<tr>
<td>Waste Management</td>
<td>136,103</td>
<td>104,797</td>
<td>105,029</td>
</tr>
<tr>
<td>Public Works Commissioner's Office</td>
<td>-</td>
<td>-</td>
<td>(232)</td>
</tr>
<tr>
<td>Operation Support Services - Tax</td>
<td>1,326</td>
<td>1,326</td>
<td>1,326</td>
</tr>
<tr>
<td><strong>Subtotal Public Works</strong></td>
<td>225,654</td>
<td>184,724</td>
<td>184,236</td>
</tr>
<tr>
<td><strong>Human Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Services Admin</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Housing</td>
<td>185,139</td>
<td>115,387</td>
<td>112,516</td>
</tr>
<tr>
<td>Early Year’s and Child Care</td>
<td>130,659</td>
<td>20,703</td>
<td>17,522</td>
</tr>
<tr>
<td>Social Assistance and Employment</td>
<td>215,620</td>
<td>38,730</td>
<td>37,376</td>
</tr>
<tr>
<td>Community Investment</td>
<td>7,485</td>
<td>6,985</td>
<td>7,570</td>
</tr>
<tr>
<td><strong>Subtotal Human Services</strong></td>
<td>538,903</td>
<td>181,805</td>
<td>174,984</td>
</tr>
<tr>
<td><strong>Health Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seniors’ Services</td>
<td>86,509</td>
<td>31,714</td>
<td>30,077</td>
</tr>
<tr>
<td>Paramedic and Emergency Programs</td>
<td>82,943</td>
<td>44,219</td>
<td>43,293</td>
</tr>
<tr>
<td>Public Health</td>
<td>85,985</td>
<td>44,219</td>
<td>43,293</td>
</tr>
<tr>
<td>Health Admin Services</td>
<td>997</td>
<td>31,714</td>
<td>30,077</td>
</tr>
<tr>
<td><strong>Subtotal Health Services</strong></td>
<td>256,434</td>
<td>104,192</td>
<td>96,047</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>20,819</td>
<td>19,204</td>
<td>(712)</td>
</tr>
<tr>
<td>Finance</td>
<td>9,224</td>
<td>6,493</td>
<td>515</td>
</tr>
<tr>
<td>Service Innovation, Information &amp; Technology</td>
<td>21,985</td>
<td>20,232</td>
<td>599</td>
</tr>
<tr>
<td>Executive Office</td>
<td>3,449</td>
<td>3,272</td>
<td>177</td>
</tr>
<tr>
<td>Enterprise Programs and Services</td>
<td>55,477</td>
<td>49,780</td>
<td>49,201</td>
</tr>
<tr>
<td>Non-Program</td>
<td>89,316</td>
<td>2,784</td>
<td>(3,469)</td>
</tr>
<tr>
<td><strong>Subtotal Health Services</strong></td>
<td>144,792</td>
<td>52,563</td>
<td>45,732</td>
</tr>
<tr>
<td><strong>Internal Support/Non-Program</strong></td>
<td>144,792</td>
<td>52,563</td>
<td>45,732</td>
</tr>
<tr>
<td><strong>Total Region Controlled Programs</strong></td>
<td>1,165,783</td>
<td>523,285</td>
<td>500,999</td>
</tr>
<tr>
<td><strong>Region Financed External Organizations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Police Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peel Regional Police</td>
<td>402,427</td>
<td>360,913</td>
<td>354,507</td>
</tr>
<tr>
<td>Ontario Provincial Police</td>
<td>12,387</td>
<td>12,012</td>
<td>11,145</td>
</tr>
<tr>
<td><strong>Subtotal Police Services</strong></td>
<td>414,815</td>
<td>372,926</td>
<td>365,651</td>
</tr>
<tr>
<td>Conservation Authorities</td>
<td>22,533</td>
<td>21,283</td>
<td>21,283</td>
</tr>
<tr>
<td>Assessment Services</td>
<td>17,783</td>
<td>17,783</td>
<td>17,842</td>
</tr>
<tr>
<td>Toronto Tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Region Finance External Organizations</strong></td>
<td>465,100</td>
<td>411,991</td>
<td>404,776</td>
</tr>
<tr>
<td><strong>Net Tax Levy</strong></td>
<td>-</td>
<td>(935,276)</td>
<td>(935,276)</td>
</tr>
<tr>
<td><strong>Total Tax Supported Programs</strong></td>
<td>1,620,914</td>
<td>(935,276)</td>
<td>(29,501)</td>
</tr>
<tr>
<td><strong>Utility Rate Supported Programs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td>255,813</td>
<td>200,904</td>
<td>209,494</td>
</tr>
<tr>
<td>Wastewater</td>
<td>171,211</td>
<td>131,784</td>
<td>131,467</td>
</tr>
<tr>
<td>Operation Support</td>
<td>3,094</td>
<td>3,094</td>
<td></td>
</tr>
<tr>
<td><strong>Total Utility Rate Supported Programs</strong></td>
<td>430,117</td>
<td>332,688</td>
<td>340,961</td>
</tr>
<tr>
<td><strong>Region of Peel Total</strong></td>
<td>2,051,031</td>
<td>1,267,964</td>
<td>311,460</td>
</tr>
</tbody>
</table>
Operating Year-End Position and Drivers

The Region of Peel ended the year with an overall surplus of $21.2 million or a variance of 1.7 per cent relative to both net tax levy and utility rate total billing revenues in the Tax and Utility Rate supported programs. This summary highlights the major drivers for the year end operating financial results for Tax Supported and Utility Rate Supported Programs.

I) Tax Supported Programs - A surplus of $29.5 million or a budget variance of 3.2 per cent relative to the Tax Supported Net Levy of $935.3 million

<table>
<thead>
<tr>
<th>Major Drivers of Surplus/Deficit</th>
<th>Surplus/ (Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regionally Controlled Programs</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
</tr>
<tr>
<td>• Unanticipated external funding: Public Health additional needs-based and 100% provincial funding of $4.2M, higher Waste Diversion Ontario funding by $1.9M, increased provincial funding of $0.7M in Seniors’ Services partially offset by lower than budgeted Employment &amp; Administration funding by $0.8M</td>
<td>6.0</td>
</tr>
<tr>
<td>• Higher Payments-In-Lieu of-Taxes (PILTS), Supplementary Taxes and Lower Write-Offs than forecast by area municipalities</td>
<td>2.6</td>
</tr>
<tr>
<td>• Lower revenue due to lower commodity prices</td>
<td>(0.9)</td>
</tr>
<tr>
<td><strong>Subtotal Revenues</strong></td>
<td>7.7</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
</tr>
<tr>
<td>• Labour cost impact through arbitration in Long Term Care and other one-time labour cost savings</td>
<td>4.4</td>
</tr>
<tr>
<td>• Early Years &amp; Child Care: lower fee subsidies and administration costs</td>
<td>3.2</td>
</tr>
<tr>
<td>• Social Assistance &amp; Employment savings in administration offset by additional subsidies paid to Low-Income Energy Assistance Program (LEAP)</td>
<td>3.5</td>
</tr>
<tr>
<td>• Savings due to transitional efficiencies while service delivery models in Public Health were being adapted</td>
<td>1.4</td>
</tr>
<tr>
<td>• Social Assistance &amp; Employment: higher Ontario Works benefit costs from increased caseload and cost per case</td>
<td>(1.3)</td>
</tr>
<tr>
<td>• Public Works lower summer maintenance costs attributed to lower fuel costs, less fleet maintenance and less storm management</td>
<td>1.3</td>
</tr>
<tr>
<td>• Housing underspending in Habitat for Humanity program due to delays in project starts</td>
<td>1.2</td>
</tr>
<tr>
<td>• Paramedic Services savings due to delayed construction with Fernforest reporting station, lower fuel cost and process improvement related to the readying of ambulances</td>
<td>0.9</td>
</tr>
<tr>
<td>• Accessible Transportation: higher than budgeted demand for taxi trips</td>
<td>(0.8)</td>
</tr>
<tr>
<td>• Other operational savings</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Subtotal Expenditures</strong></td>
<td>14.6</td>
</tr>
<tr>
<td><strong>Total Regionally Controlled Tax Supported Programs</strong></td>
<td>22.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regionally Financed External Agencies</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Peel Regional Police – one-time wage savings, favourable fuel costs and recoveries related to the Pan Am &amp; Para Pan Am Games</td>
<td>6.4</td>
</tr>
<tr>
<td>• Ontario Provincial Police – Unbudgeted final Provincial Services Usage (PSU) Credit</td>
<td>0.9</td>
</tr>
<tr>
<td>• Assessment services – lower costs than budgeted</td>
<td>(0.1)</td>
</tr>
</tbody>
</table>

| Total Regionally Financed External Agencies | $7.2 |

| Total Tax Supported (Regionally Controlled & External Agencies) | $29.5 |

Note: Numbers may not add due to rounding.
II) Utility Rate Supported Programs – A Deficit of $8.3 million or a budget variance of -2.5 per cent relative to the Utility Rate total Billings of $332.7 million

<table>
<thead>
<tr>
<th>Major Drivers of Surplus/Deficit</th>
<th>Surplus/ (Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Peel Direct Billings due to lower consumption</td>
<td>(10.7)</td>
</tr>
<tr>
<td>• Higher Quality Sewer Surcharges resulting from more accounts</td>
<td>1.4</td>
</tr>
<tr>
<td>• Higher Recoveries from other area municipalities</td>
<td>0.1</td>
</tr>
<tr>
<td>• Operational savings - lower chemical cost as an outcome of lower treated volume</td>
<td>0.9</td>
</tr>
<tr>
<td>Total Utility Rate Supported Programs</td>
<td>(8.3)</td>
</tr>
</tbody>
</table>

Peel Region Total (Tax & Rate)                                         $21.2
## 2015 Proposed Surplus Management Actions

<table>
<thead>
<tr>
<th>Year End Position</th>
<th>Proposed Surplus Management Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/ (Deficit)</td>
<td>Transfer/ Reserve No. Reserve Description</td>
</tr>
</tbody>
</table>

### Regionally Controlled Programs

<table>
<thead>
<tr>
<th>Programs</th>
<th>Amount</th>
<th>Transfer/ Reserve No.</th>
<th>Reserve Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$22,286,122</td>
<td>Transfer to R1279</td>
<td>Emerging Public Health Issue</td>
<td>$2,700,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transfer to R1262</td>
<td>Senior Services – to operate enhanced and expanded Adult Day Services at four existing Region of Peel sites until June 30, 2017*</td>
<td>$1,516,744</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transfer to R1265</td>
<td>Emerald Ash Borer</td>
<td>$700,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transfer to R1250</td>
<td>Tax Supported General Rate Stabilization reserve for Disaster Relief</td>
<td>$7,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transfer to R1160</td>
<td>Funding to address Peel's waitlist for affordable housing</td>
<td>$10,369,378</td>
</tr>
<tr>
<td>Peel Regional Police (PRP)</td>
<td>$6,406,571</td>
<td>Transfer to R2221</td>
<td>PRP- Facilities Reserves</td>
<td>$6,406,571</td>
</tr>
<tr>
<td>Ontario Provincial Police (OPP)</td>
<td>$867,579</td>
<td>Transfer to R0001</td>
<td>Caledon Police Stabilization</td>
<td>$433,790</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transfer to R0002</td>
<td>OPP Capital Infrastructure</td>
<td>$433,790</td>
</tr>
<tr>
<td>Assessment Services</td>
<td>$(59,080)</td>
<td>Draw from R1250</td>
<td>Tax Supported General Rate Stabilization reserve</td>
<td>$(59,080)</td>
</tr>
<tr>
<td><strong>Subtotal - Tax Programs</strong></td>
<td><strong>$29,501,192</strong></td>
<td></td>
<td></td>
<td><strong>$29,501,192</strong></td>
</tr>
</tbody>
</table>

### Utility Rate Supported Programs

<table>
<thead>
<tr>
<th>Programs</th>
<th>Amount</th>
<th>Transfer/ Reserve No.</th>
<th>Reserve Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility Rate Supported Programs**</td>
<td>$(8,273,328)</td>
<td>Draw from R0242</td>
<td>Wastewater Capital Reserve</td>
<td>$(8,273,328)</td>
</tr>
<tr>
<td><strong>Subtotal - Utility Rate Programs</strong></td>
<td><strong>$(8,273,328)</strong></td>
<td></td>
<td></td>
<td><strong>$(8,273,328)</strong></td>
</tr>
<tr>
<td><strong>Total Tax and Utility Rate Programs</strong></td>
<td><strong>$21,227,864</strong></td>
<td></td>
<td></td>
<td><strong>$21,227,864.0</strong></td>
</tr>
</tbody>
</table>

* Surplus allocation was approved through the March 31, 2016 report to Council titled "Proposed Allocation of Temporary Funding for Community Support Services"*

** Request a transfer of $8.3M from Wastewater Capital Reserve (R0242) to replenish Wastewater Rate Stabilization Reserve (R0012) to be compliant with Reserve Management Policy. This reduces the contribution to the reserve for state of good repair which is reassessed annually.
## Summary of 2015 Write-offs

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Billings</th>
<th>Write-Off Total</th>
<th>% Write-off to Billings</th>
<th>Balance Remaining in Allowance Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Receivables</td>
<td>$205,600,632</td>
<td>$87,567</td>
<td>0.04%</td>
<td>$103,498</td>
</tr>
<tr>
<td>Water/Wastewater</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit Balances</td>
<td></td>
<td>$(299,104)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debit Balances</td>
<td>$183,785</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>$314,599,562</td>
<td>$115,319</td>
<td>(0.04)%</td>
<td>$41,101</td>
</tr>
<tr>
<td>Total</td>
<td>$520,200,194</td>
<td>$(27,752)</td>
<td>(0.01)%</td>
<td>$144,599</td>
</tr>
</tbody>
</table>
Financial Performance Update

Presented to Council April 14, 2016
An Overall Surplus of $21.2M or A Variance of 1.7% Within Target Variance of +/- 3.0%

Peel Total

$21.2M

1.7%

Tax Surplus of $29.5M or 3.2%
- External Agencies $7.2M
- Region Controlled Tax $22.3M

Utility Deficit of ($8.3M) or (2.5%)
- Direct Billings ($10.7M)
- Other $2.4M
Surplus/(Deficit) % of Net Tax Levy

- 2011: 2.2%
- 2012: 1.0%
- 2013: 1.4%
- 2014: 0.4%
- 2015: 3.2%

Surplus ($M)

- 2011: $18.2 M
- 2012: $8.7 M
- 2013: $12.7 M
- 2014: $4.0 M
- 2015: $29.5 M
Major Drivers of Tax Supported Variances

Unanticipated Revenue

External Funding

- Regionally Controlled Tax Programs
- External Agencies

Supplementary taxes/Tax write-offs

2011 2012 2013 2014 2015

$0 $5.4M $5.1M $0 $2.5M

$7.3M $0 $2.6M

($4.4M) ($8.7M) ($8.8M)
Operating Results

• Fuel costs
• Service demand
• Service delivery approach and process
Peel Direct Billings Variance

Year End Overall

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(Deficit) ($M)</td>
<td>5.4 M</td>
<td>9.2 M</td>
<td>(-4.2 M)</td>
<td>(-13.2 M)</td>
<td>(-8.3 M)</td>
</tr>
<tr>
<td>Total Billing Variance %</td>
<td>2.1%</td>
<td>3.4%</td>
<td>(-1.4%)</td>
<td>(-4.2%)</td>
<td>(-2.5%)</td>
</tr>
</tbody>
</table>
Capital Work Progressing as Planned

Work in Progress* (Regionally Controlled)

- Gross Budget $6.4 billion
- Work Completed in 2015 $0.8B 12%
- Work Completed on Projects Prior to 2015 $3.5B 55%
- Remaining Work in progress $2.1B 33%
- 96% of capital work progressed as planned

Stages of Completion:
- <80% Complete 36%
- >80% Complete 12%
- Under Maintenance 6%
- In Closeout Process 16%
- Completed 25%

Total Projects (1,434)

*Comprises of approved projects in 2015 and prior years which were under progress in 2015. Typical life of a capital project ranges from 5-8 years.
Managing Capital Spending

Capital Spending (Regionally Controlled)

Financial Flexibility: No new debt issued for capital spending in 2015

Financial Sustainability: Maintain Assets to desired level of service

Average Annual Spending Over 5 Years - $610M

- 2011: $718M
- 2012: $724M
- 2013: $768M
- 2014: $758M
- 2015: $716M

- Target
- Actuals
Top 25 Projects with Highest Gross Remaining Budget

- Implementation plans in place for all current top 25 projects
- Regular management oversight of all work in progress

Total Remaining Budget $2.1B

Top 25 Projects make up 46% of total remaining budget

Other projects are 54% of total remaining budget
Monitor and Mitigate Risks

- Monitor 2016 performance and review trending analysis
- Update 2017 budget assumptions based on latest information
- Apply analytical and forecast models
- Use rate stabilization reserve to mitigate volatility

Evolving Pressures

External Funding
- Funding change
- Unanticipated funding

Environment
- Emerald Ash Borer

Economy
- Supplementary taxes and tax write-offs
- Caseload
- Commodity and fuel prices

Legislation
- Provincial disaster relief assistance

Weather
- Winter maintenance
- Water consumption

Service Demand
- Affordable housing and homelessness

Operations
- Service delivery approach and process

Future Outlook
**Transfer $8.3M from Wastewater Capital Reserve to replenish Wastewater Rate Stabilization Reserve to be compliant with Reserve Management Policy.**

*Approved by Council on March 31, 2016 in report “Proposed Allocation of Temporary Funding for Community Support Services”*
DATE: April 6, 2016
REPORT TITLE: 2015 CAPITAL PERFORMANCE AND IMPACT ON CAPITAL RESERVES AND RESERVE FUND
FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

OBJECTIVE

To provide a status update on the 2015 Capital Program and the impact on Capital Reserves and Reserve Funds as at December 31, 2015.

REPORT HIGHLIGHTS

- The 2015 capital Program began with an opening balance of $3.0 billion consisting of the approved 2015 Capital Budget and Capital Work in Progress from prior years; the total capital program has an ending balance of $2.2 billion as at December 31, 2015
- 96% of the total 2015 Regionally Controlled capital work progressed as planned, including 12% of projects which were completed in 2015
- 4% of the total capital projects have been deferred or delayed as a result of Regional Council and/or Management decisions or unforeseen circumstances
- The top 25 capital projects, by remaining gross budget, make up more than 46% of the remaining budget of active projects as at December 31, 2015
- 2015 capital spending totaled $758 million, 13% over the budgeted capital spending, driven largely by Utility supported capital projects
- No external debt was issued in 2015 for the Capital Program

DISCUSSION

1. Overview of 2015 Capital Program

The capital program represents a key component of the Region of Peel’s (Region) service delivery. The capital program is used to acquire, improve or maintain land, buildings, roads, watermains, pumping stations, machinery and equipment, to install computer software and to conduct studies relating to corporate assets.

The Region’s capital plans are developed based on the Region’s Growth Master Plans, Regional Official Plan, Corporate Asset Management Plan for state of good repair and other Regional Council directions such as the Waste Reduction and Resource Recovery Strategy. The Region actively monitors the changes to these plans and adjusts the capital plan where it is required. A significant portion of the Region’s capital work consists of large projects that take five to eight years to complete from start to finish.
2015 CAPITAL PERFORMANCE AND IMPACT ON CAPITAL RESERVES AND RESERVE FUNDS

The 2015 Capital Program is made up of projects which are Regionally Controlled and those managed by Peel Regional Police (PRP) and Conservation Authorities. It had an opening balance of $3.0 billion which includes new capital work approved in the 2015 capital budget ($0.4 billion), capital budget changes during 2015 approved through Council reports or by Council delegated authorities and the remaining capital work previously approved by Council in prior years. As at December 31, 2015, the capital program had 1,156 active capital projects with a gross remaining budget of $2.2 billion.

The Budget Policy requires that staff report the status of the capital program at a minimum of twice annually. This report provides an update on the status of 2015 Capital Operations and the impact on Capital Reserves and Reserve Funds as at December 31, 2015.

2. 2015 Capital Program Performance

The Region actively monitors the performance of the capital program by tracking the capital project progress through various stages of project life cycle and analyzing work in progress. Staff review capital performance every triannual period and reports to Regional Council on the status of the Capital Program in progress.

a) Capital Spending

i) 2015 Capital Program

2015 total capital spending for both Tax and Utility Rate Supported programs (including Regionally Controlled, PRP and external agencies) amounted to $758 million, with $249 million spent in Tax Supported programs and $509 million spent in Utility Rate Supported programs.

The $758 million capital spending during 2015 was invested in the following major areas:

- $372 million in developing water transmission systems, plant facilities and distribution systems such as Hanlan Feedermain, Mississauga and Brampton watermain replacements as well as Alloa Reservoir and Pumping Station
- $116 million for wastewater infrastructure including West Trunk Sewer Twinning and Etobicoke Creek Trunk Sewer Twinning
- $92 million to support accessible transportation services, road expansion and maintenance such as King Street Expansion and Dixie Road/Steeles widening
- $44 million to fund Waste Management services including the implementation plan for Bi-weekly cart based collection
- $42 million for Peel Regional Police facilities, information technology and fleet
- $33 million for housing programs including construction of affordable housing units in the Hansen project, condominium acquisition and housing provider capital repairs
- $18 million to support Paramedic Services including Rising Hill and Fernforest paramedic reporting station and ambulance fleet
- $16 million for Enterprise Programs and Services to support computer technologies and facility maintenance

2015 capital spending was planned according to the capital program. Overall, capital spending was 13% higher than the budgeted spending forecast of $669 million in 2015,
2015 CAPITAL PERFORMANCE AND IMPACT ON CAPITAL RESERVES AND RESERVE FUNDS

mainly due to large spending in Utility Rate Supported projects such as Hanlan Feedermain, Mississauga and Brampton watermain replacement, Alloa reservoir and Pumping station, West Trunk Sewer Twinning and Etobicoke Creek Trunk Sewer Twinning.

ii) 2015 Regionally Controlled Capital Program

Specifically, the progress of Regionally Controlled projects, comprising of 1,079 capital projects, was actively monitored and measured. 2015 Regionally Controlled Capital Program commenced with an opening balance of $2.9 billion; 96% of the capital work progressed as planned with total spending for Regionally Controlled Programs amounting to $716 million. This work included about 12% of projects which were completed during 2015. The remaining 4% of capital projects (63 projects) have been deferred, delayed or on hold as a result of Regional Council and or Management decisions or unforeseen circumstances. The Regionally Controlled Capital Program ended up with a closing balance of $2.1 billion.

Appendix 1 shows the detailed breakdown of the Work in Progress (WIP) of Regionally Controlled Capital Program.

b) Work in Progress - Top 25 Regionally Controlled Capital Projects

While all capital projects are actively managed, in order to efficiently manage the regionally controlled capital program and mitigate the risks effectively, staff also focus on the progress and report to Council on the 25 largest capital projects based on remaining gross budget value. In magnitude, the top 25 active capital projects represent 2% of the total number of active capital projects but represent more than 46% of the remaining budget of active regionally controlled capital projects.

The total value of the top 25 capital projects declined slightly due to the closing of the PERC project. As Council will recall, direction was provided to transfer the $75 million portion of the project not funded by debt to a new capital project to support the 75 per cent diversion rate target. The remaining $445 million of the project that was to be debt financed has been closed, as the project is not moving forward. Closing the project provides clarity with credit rating agencies on Council’s plan for this project.

By December 31, 2015, all 25 projects, excluding the PERC project, had implementation plans in place. There were a total of 13 capital projects in the construction phase with the remaining 12 projects in the initiation, design, or procurement stages. Analysis of top 25 projects shows:

1. Total Gross Budget of Top 25 projects is $1.9 billion with ending balance of $1.0 billion or 50%
2. Five projects are in the stages of above 50–75% gross budget spent and two projects are over 75% gross budget spent

For additional details, please refer to Appendix 2 of the subject report which provides the status update of the top 25 capital projects broken down between tax and utility rate programs.
3. Impact of 2015 Capital Program on Capital Reserves and Reserve Funds

Capital spending impacts the Region’s internal capital reserves and overall financial flexibility. In order to execute the 2015 Capital Program within the constraints of the cash levels of the reserves and reserve funds, staff continue to proactively phase in the capital projects. As major projects move from one phase to the next, staff continue to consider the Region’s current financial condition prior to proceeding.

a) Capital Reserves

Implementation of the 2015 Capital Program had no material impact on the status of reserves as reported to Regional Council on November 12, 2015 in the report from the Chief Financial Officer and Commissioner of Finance, titled “Overview and Update on the Status of Reserves”.

Overall, the long term sustainability of the Region’s capital reserves has improved over recent years through Regional Council’s approval of the tax and utility rate infrastructure levies to allow for increases to the capital reserve contributions. Effective management of approved capital budget and thorough review of its capital plans have also helped the Region of Peel to maintain its financial sustainability.

b) Development Charges

The total DC revenue collected in 2015 was $279 million, lower by 40 per cent from the amount forecast in the 2015 DC Background Study of $466 million. Out of the $279 million, 90 per cent was residential revenue.

The DC residential revenue collected in 2015 was impacted by the increased building permit activity prior to the effective date of the DC rate increase on October 5, 2015. DC revenue collections in terms of housing units were on track, since 94 per cent of the targeted 7,800 housing units were achieved. However, this did not translate into an equivalent 94 per cent of the planned dollar amount. The reason for this is that, 93 per cent of the building permit activity happened before the DC rate increase. Non-residential activity was 23 per cent of the DC Background Study forecast; however, non-
residential revenue was 29 per cent of forecast as most of the non-residential activity was in the non-industrial category, which has a higher rate than the industrial category.

In terms of gross floor area (GFA), only 23 per cent of the planned GFA from the 2015 DC Background Study of 606,290 square metres was realized in 2015.

With the DC debt repayment of $89.4 million, this resulted in a net draw of $149.7 million at December 31, 2015 from the DC Reserve Funds and was higher than what was planned for the year. This draw was funded from internal borrowing ($36.7 million) and DC reserves ($113 million).

Table 1: 2015 DC Revenues and DC Expenditures

<table>
<thead>
<tr>
<th>$ Millions</th>
<th>DC Revenues</th>
<th>DC Cash Outlay</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>DC Expenditures</td>
<td>DC Debt Repayment</td>
</tr>
<tr>
<td>Actuals (December 31, 2015)*</td>
<td>278.5</td>
<td>338.8</td>
<td>89.4</td>
</tr>
</tbody>
</table>

* Numbers are unaudited. No new DC debt issued in 2015. DC revenues and expenditures exclude GO Transit DC transactions.

Staff will continue to monitor the DC revenue collection and the capital spending and will manage cash requirements accordingly through the Region’s Debt Plan. The Region has engaged in a number of studies and reviews intended to help the Region effectively manage the financial challenges related to its growth capital plan. The new 2015 DC Background Study forecasts peak DC debt issuance of just over $2.4 billion compared to $2.6 billion in the 2012 DC Background Study. With DC debt (including interest) fully funded through DC rates, this reduced borrowing forecast mitigates increases in the DC rates as well as improving the Region’s overall financial flexibility.

c) Impact on Debt Plan

Debt is one of the tools used to maintain financial flexibility by providing additional cash. It is issued against significant long term assets. For 2015, the Region did not issue external debt for Regional purposes since DC revenue collections spiked ahead of the DC rate increase effective October 5, 2015. However, as mentioned earlier, $36.7 million was internally borrowed from reserves. Based on the DC forecast and to take advantage of the potential low interest rates, staff is anticipating to seek Council approval for a borrowing of up to $200 million for DC in 2016. Staff will continue to explore opportunities to address the debt requirements as part of the ongoing efforts through the Growth Management Committee.

As at December 31, 2015 the Region of Peel’s net outstanding debt totals $1,444.1 million. The debt issuance was in accordance to the Region’s Debt Plan. The debt can be separated into three general categories as illustrated in Table 2.
Table 2: Outstanding Debt as of December 31, 2015

<table>
<thead>
<tr>
<th>Type of Debt</th>
<th>Net Outstanding Debt ($ millions)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>DC Growth Related debt</td>
<td>1,275.8</td>
</tr>
<tr>
<td>Non-DC Growth Related debt (Tax Supported)</td>
<td>87.8</td>
</tr>
<tr>
<td><strong>Less</strong>: Sinking Fund Contributions and Principal Repayments**</td>
<td>(139.4)</td>
</tr>
<tr>
<td>Mortgages (Peel Living)</td>
<td>219.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,444.1</td>
</tr>
</tbody>
</table>

* Numbers are unaudited and exclude borrowings for area municipalities.
**Number includes an estimate for the interest earned to date from the sinking fund.

The Province imposes an Annual Repayment Limit (ARL) on municipalities. This is 25 per cent of the net revenues for the municipalities. Based on the calculation provided by the Province in 2015, the Region's net debt charges were 9.1 per cent of the net revenues and the Region had annual debt repayment room of $224.5 million before the 25 per cent maximum would be reached. Borrowing in excess of the 25% ARL would need Provincial approval.

CONCLUSION

Overall, capital operations largely progressed as planned in 2015 through effective management. The 2015 capital work was implemented within the constraints of the reserves, reserve funds and debt plan, which allows the Region to maintain its financial flexibility.

Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I – Capital Program 2015 Work in Progress (Regionally Controlled Programs)
2. Appendix II – Status of Top 25 Capital Projects (With Highest Gross Remaining Budget) – Regionally Controlled Programs

For further information regarding this report, please contact Rob Elliott at extension 2620 or via email Rob.Elliott@peelregion.ca.
2015 Capital Performance and Impact on Capital Reserves and Reserve Fund

Appendix I

Capital Program 2015 Work In Progress (Regionally Controlled)

- Gross Budget: $6.4B
- Opening Balance 2015: $2.9B
- Work Completed in 2015*: $0.8B
- Ending Balance: $2.1B

- Work Completed Prior to 2015:
  - $3.5B
  - 55%

- Remaining Work in Progress:
  - $2.1B
  - 33%

*Work completed includes $716M and completed projects with reduction in gross budget of $72M

Stages of Completion

- <80% Complete: 36%
- >80% Complete: 12%
- Under Maintenance: 6%
- In Closeout Process: 16%
- Completed: 25%

Total Projects (1,434*)

*Total of 1,079 Active projects and 355 completed projects
# 2015 Capital Performance and Impact on Capital Reserves and Reserve Fund

## Appendix II - Status of the 25 Capital Projects with Highest Gross Remaining Budget ($Millions)

<table>
<thead>
<tr>
<th>Program</th>
<th>Project</th>
<th>Description</th>
<th>Stage</th>
<th>Gross Revised Budget</th>
<th>Gross Project Actuals</th>
<th>Gross Remaining Budget</th>
<th>% of Budget Expended</th>
<th>Project Status Update/Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TAX SUPPORTED PROGRAMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste Management</td>
<td>156943</td>
<td>Waste Diversion Initiatives - 75% 3Rs Target</td>
<td>Initiation</td>
<td>$75.0</td>
<td>$0.0</td>
<td>$75.0</td>
<td>0%</td>
<td>Tender is under review and in process of being awarded; project has only been set up after Council's approval on Oct 2015.</td>
</tr>
<tr>
<td>Transportation</td>
<td>054045</td>
<td>Queen Street West - Lane Widening</td>
<td>RFP/RFQ/Procurement</td>
<td>$33.6</td>
<td>$11.2</td>
<td>$22.4</td>
<td>33%</td>
<td>Project will be tendered this winter; construction to commence in May; substantial completion anticipated by the end of 2017.</td>
</tr>
<tr>
<td>Transportation</td>
<td>074030</td>
<td>The Gore Road Castlemore to Mayfield - Lane Widening</td>
<td>Design</td>
<td>$24.4</td>
<td>$6.6</td>
<td>$17.9</td>
<td>27%</td>
<td>Property Acquisition and detailed design completed. Utility Relocation is ongoing. Construction schedule depends on obtaining environmental permits and completion of utility relocation. Expect to tender construction towards the end of 2016.</td>
</tr>
<tr>
<td>Transportation</td>
<td>140247</td>
<td>Mavis Yard Redevelopment</td>
<td>Initiation</td>
<td>$15.0</td>
<td>$0.7</td>
<td>$14.3</td>
<td>5%</td>
<td>Demolition of existing facility completed in 2015. Construction tender to be issued in March, 2016 with construction to begin in May, 2016.</td>
</tr>
<tr>
<td>Transportation</td>
<td>064015</td>
<td>Winston Churchill/Hal Road - Lane Reconstruction</td>
<td>Design</td>
<td>$15.5</td>
<td>$1.4</td>
<td>$14.1</td>
<td>9%</td>
<td>This project is in the detailed design phase. Contract 1 (Town of Norval) - detailed design 100% completed - public meeting Feb 16, 2016. Tender - late Spring 2016. Property negotiations have been initialized - construction Summer 2016. Contract 2 (North of Norval) - detailed design 60-90% completed - awaiting hydro design to determine property requirements - construction 2019 (widening just @ intersections and road reconstruction) Contract 3 (South of Norval) - detailed design at 60% - awaiting GTA corridor and Norval By-Pass alignments to be finalized to determine impact) - construction 2021 (widening just @ intersections, road reconstruction and a round-about at 10th sideroad).</td>
</tr>
<tr>
<td>Waste Management</td>
<td>156300</td>
<td>Land-Infrastructure Development</td>
<td>Initiation</td>
<td>$15.2</td>
<td>$0.0</td>
<td>$15.2</td>
<td>0%</td>
<td>Search for suitable land is ongoing; project has only been set up after Council's approval on Oct 2015.</td>
</tr>
</tbody>
</table>

**SUBTOTAL - TAX SUPPORTED**  
$178.8 $19.9 $158.9 11%

## UTILITY SUPPORTED PROGRAMS
## Project Status Update/Comments

**Wastewater 082205 West Trunk Sewer Twinning**

Construction

- Gross Revised Budget: $208.5
- Gross Project Actuals: $52.1
- Gross Remaining Budget: $156.4
- % of Budget Expended: 25%

Contract 1 & 2 are currently under construction. The anticipated completion date is March 2018.

**Wastewater 112201 Etobicoke Creek Trunk Sewer Twinning**

Design

- Gross Revised Budget: $40.6
- Gross Project Actuals: $1.7
- Gross Remaining Budget: $39.0
- % of Budget Expended: 4%

Issue for tender has been scheduled for June 8, 2016 subject of outcome of the expropriation proceedings (to be presented for Council approval on March 10, 2016).

**Wastewater 102925 Lakeview Wastewater Treatment**

Construction

- Gross Revised Budget: $43.8
- Gross Project Actuals: $8.4
- Gross Remaining Budget: $35.4
- % of Budget Expended: 19%

- Design of New inlet conduit from lakeshore road to the headworks facility is 80% complete with Tender schedule for Q1-Q2 of 2016 (est. $5M)
- Design of new odour control facility is 50% complete with tender schedule for Q3 of 2016 ($4M)
- Condition Assessment of Plant 1 conventional system is underway with recommended rehabilitation Replacement option and estimate in Q2 of 2016
- Primary Tank 12 and 13 expansion Project to be released for Engineering (RFP) in Q2 of 2016

**Wastewater 082915 Clarkson Wastewater Treatment**

Construction

- Gross Revised Budget: $158.9
- Gross Project Actuals: $131.2
- Gross Remaining Budget: $27.7
- % of Budget Expended: 83%

Finishing contract (C2-4) is schedule for tender Q2 for 2016. The final assignment of this project (operations support building) to be released for design in Q2 of 2016.

**Wastewater 152300 Linear Infrastructure Remediation**

Initiation

- Gross Revised Budget: $24.9
- Gross Project Actuals: $0.6
- Gross Remaining Budget: $24.3
- % of Budget Expended: 2%

Detailed Design ongoing for the state of good repair projects and tendering to commence this spring. Detailed design to continue for Cawthra Road Sanitary Sewer through 2016 for tender in 2017.

**Wastewater 062935 New Pumping Station Port Credit**

Construction

- Gross Revised Budget: $29.4
- Gross Project Actuals: $10.3
- Gross Remaining Budget: $19.1
- % of Budget Expended: 35%

Project under construction and on schedule for December 2016 substantial completion.

**Wastewater 152905 Sewage Pumping Station Rehabilitation**

Initiation

- Gross Revised Budget: $20.0
- Gross Project Actuals: $0.2
- Gross Remaining Budget: $19.8
- % of Budget Expended: 1%

Council Report to award 5 assignments for the replacement and rehabilitation of sanitary pumping stations scheduled for Feb. 25th Council Meeting. Detailed Design and/or Class EA to commence and proceed throughout 2016.

**Wastewater 082235 Bolton/Brampton Trunk Sewer Twinning**

Construction

- Gross Revised Budget: $20.3
- Gross Project Actuals: $5.6
- Gross Remaining Budget: $14.7
- % of Budget Expended: 28%

Construction by Technicore Underground is ongoing and scheduled to be completed by end of December, 2016.
## 2015 CAPITAL PERFORMANCE AND IMPACT ON CAPITAL RESERVES AND RESERVE FUND

### Appendix II - Status of the 25 Capital Projects with Highest Gross Remaining Budget ($Millions)

<table>
<thead>
<tr>
<th>Program</th>
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<th>Gross Remaining Budget</th>
<th>% of Budget Expended</th>
<th>Project Status Update/Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>101205</td>
<td>Hanlan Transmission Main</td>
<td>Construction</td>
<td>$446.1</td>
<td>$271.5</td>
<td>$174.6</td>
<td>61%</td>
<td>The project is still progressing towards Feb/March completion for contract 3 which also includes Mississauga City Centre project 10-1121 (also shown on this sheet. Contract 2 is complete and Contract 1 is heading towards completion late this year.</td>
</tr>
<tr>
<td>Water</td>
<td>101960</td>
<td>Alloa Reservoir and Pumping Station</td>
<td>Construction</td>
<td>$63.4</td>
<td>$4.5</td>
<td>$58.9</td>
<td>7%</td>
<td>Ongoing construction expected completion Fall 2017.</td>
</tr>
<tr>
<td>Water</td>
<td>101121</td>
<td>Mississauga City Centre Feeder Main</td>
<td>Construction</td>
<td>$116.1</td>
<td>$69.9</td>
<td>$46.2</td>
<td>60%</td>
<td>The project is still progressing towards Feb/March completion for contract 3. (See project 10-1205)</td>
</tr>
<tr>
<td>Water</td>
<td>131923</td>
<td>Lakeview Major Capital Improvement</td>
<td>Construction</td>
<td>$38.0</td>
<td>$4.1</td>
<td>$33.9</td>
<td>11%</td>
<td>Construction commenced in the fall of 2015 and is scheduled to be completed in the summer of 2017.</td>
</tr>
<tr>
<td>Water</td>
<td>101210</td>
<td>Zone 6 Transmission Main</td>
<td>Design</td>
<td>$38.4</td>
<td>$4.4</td>
<td>$34.0</td>
<td>12%</td>
<td>Design is underway to be finalized this year (2016). Construction is on hold due to Ministry of Transportation (MTO) Environmental Assessment (EA).</td>
</tr>
<tr>
<td>Water</td>
<td>151345</td>
<td>Replacement of watermains in Mississauga</td>
<td>Construction</td>
<td>$29.1</td>
<td>$2.6</td>
<td>$26.5</td>
<td>9%</td>
<td>Assignments A, F, I, K, L and O are under / ready for construction. Assignments C, D1, D2, E, G, H, J and M are under design. Assignment B has been cancelled.</td>
</tr>
<tr>
<td>Water</td>
<td>091937</td>
<td>Lakeview Water Treatment Plant</td>
<td>Design</td>
<td>$28.0</td>
<td>$4.2</td>
<td>$23.8</td>
<td>15%</td>
<td>Pre-purchase document for the natural gas engines was issued in October 2015. Evaluation of the submission and award is planned for spring 2016. Completion of Detailed Design is scheduled for the fall of 2016 with Tender document. Construction would commence spring 2017 and be completed in 2018.</td>
</tr>
<tr>
<td>Water</td>
<td>061922</td>
<td>Streetsville Reservoir &amp; Pumping Station</td>
<td>Construction</td>
<td>$77.2</td>
<td>$53.6</td>
<td>$23.6</td>
<td>69%</td>
<td>Planned works have been deferred until 2017.</td>
</tr>
<tr>
<td>Water</td>
<td>071936</td>
<td>Lakeview Water Treatment Plant</td>
<td>Construction</td>
<td>$293.0</td>
<td>$274.4</td>
<td>$18.6</td>
<td>94%</td>
<td>OBM2 warranty until September 2016 and until April 2017 for High Lift Pumping Station. Restoration of the site after the standby power project, including reinstatement of baseball diamond, is required. Once the Hanlan feedermain is in service, the pipe connecting high lift pumping station 2 to the the 2100mm will be disconnected. That work likely to take place in 2018. A projected surplus of $11M for this project.</td>
</tr>
</tbody>
</table>
### 2015 Capital Performance and Impact on Capital Reserves and Reserve Fund

#### Appendix II - Status of the 25 Capital Projects with Highest Gross Remaining Budget ($Millions)

<table>
<thead>
<tr>
<th>Program</th>
<th>Project</th>
<th>Description</th>
<th>Stage</th>
<th>Gross Revised Budget</th>
<th>Gross Project Actuals</th>
<th>Gross Remaining Budget</th>
<th>% of Budget Expended</th>
<th>Project Status Update/Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>071960</td>
<td>Airport Road Reservoir and Pumping Station Expansion</td>
<td>Design</td>
<td>$44.2</td>
<td>$29.5</td>
<td>$14.7</td>
<td>67%</td>
<td>Further works are under design.</td>
</tr>
<tr>
<td>Water</td>
<td>141345</td>
<td>Replacement of Watermains and system improvements in Mississauga</td>
<td>Construction</td>
<td>$32.2</td>
<td>$19.3</td>
<td>$12.9</td>
<td>60%</td>
<td>Assignments B, E, G, H, I, J, N and W are under construction. Assignments C, D1, F, K and L are under design. Assignments D2, D3 and Z are complete. Assignments A and M are cancelled.</td>
</tr>
<tr>
<td><strong>SUBTOTAL - UTILITY SUPPORTED</strong></td>
<td></td>
<td></td>
<td></td>
<td>$1,752.2</td>
<td>$948.5</td>
<td>$803.7</td>
<td>54%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL REGION CONTROLLED</strong></td>
<td></td>
<td></td>
<td></td>
<td>$1,931.0</td>
<td>$968.4</td>
<td>$962.6</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>
DATE: April 6, 2016

REPORT TITLE: FINANCIAL POLICIES COMPLIANCE UPDATE - DECEMBER 31, 2015

FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

OBJECTIVE

To provide an update on activities related to the use of delegated authority to adjust operating budget, capital budget, reserves and reserve funds, in accordance with the financial policies for the six-month period ending December 31, 2015.

REPORT HIGHLIGHTS

- Budget Policy and Reserve Management Policy provide internal financial controls, administrative rules and delegated authority to staff to carry out day-to-day business and requires staff report to Regional Council at a minimum of twice annually on the activities related to the use of delegated authority.
- Several adjustments to the operating budget, capital budget and reserves were processed under Council delegated authority in accordance with the Budget Policy and Reserve Management Policy during the six months ending December 31, 2015.
- The capital adjustments for the reporting period include 234 project close outs, five project budget reductions and 13 project budget increases resulting in $47.5 million being returned to reserves thus minimizing the amount of debt that may be required.
- As at December 31, 2015, the balance of Tax Supported Rate Stabilization Reserve is 14.7 per cent of the total operating budget, which is above the range of five to ten per cent as set out in the Reserve Management Policy.
- As at December 31, 2015, Rate Stabilization Reserve for Utility Rate Supported Programs is 3.1 per cent of the total Utility Rate operating budget. The companion report titled “2015 Operating Financial Performance Triannual Report – Year End (Unaudited)” on April 14, 2016 provides a recommendation for Council to bring the Rate Stabilization reserve into the target range.

DISCUSSION

1. Background

The Budget Policy establishes financial controls and provides administrative rules and procedures to staff to apply in carrying out Regional businesses; similarly the Reserve Management Policy expands on existing rules to provide additional guidance on the usage and management of reserves, reserve funds and specialty funds.
The objective of the Budget Policy and Reserve Management Policy is to provide an appropriate balance between financial control and operational efficiency. To achieve this, these policies delegate authority to staff to deal with day-to-day operations related to adjustments to the operating budget, the capital budget and reserves within prescribed parameters. This allows staff to respond to opportunities and issues in a timely manner to achieve operational efficiency while maintaining effective internal controls.

The Budget Policy and Reserve Management Policy require that staff report to the Regional Council at a minimum of twice annually on the activities related to the use of delegated authority. The reporting requirements ensure that the Regional Council is kept abreast of these activities. This report provides an update on the activities for the six-month period ending December 31, 2015, including any reporting requirements as specified in these policies.

2. Operating Budget Changes Under Delegated Authority

Operating budget redeployments have the effect of changing the purpose for which the unexpended budget will be spent. They are processed during the course of business to respond to changes in operations for effective service delivery. There were no redeployments approved under Council delegated authority for the six months ending December 31, 2015.

3. Capital Budget Changes Under Delegated Authority

   a) Authorization to Commit a Project to Over Budget Expenditure (ACPOBE)
   The Budget Policy requires that staff report to Council any net budget increases approved under Council delegated authority beyond originally approved budgets. There were nine budget increases of $1.1 million approved under Council delegated authority during the reporting period, as described in section 4 (b) of this report.

   b) Reduce Project Budget Requirements
   The Budget Policy authorizes delegated staff to reduce project budget requirements whenever an opportunity arises. There were five reduction requests totaling about $8.6 million approved under Council delegated authority for the six months ending December 31, 2015. 84 per cent ($7.3 million) of these requests were from projects that are under warranty. A list of the capital budget reductions is included in Appendix 1 (as attached).

   c) Redeployments
   Capital budget redeployments are processed to facilitate effective management of capital programs and projects. The Budget Policy requires that staff report activities of unallocated projects, envelope projects and redeployments between similar or dissimilar capital projects that are approved under Council delegated authority. During the reporting period, 15 capital budget redeployments were approved and processed under Council delegated authority in accordance with the Budget Policy. These redeployments include one reallocation from unallocated capital projects and 14 redeployments between capital projects of about $5.7 million. Further details are provided in Appendix 2 (as attached).

   d) External Funding
   The Budget Policy requires that staff report the activity related to capital project budget increases resulting from external funding. For the six months reporting period ending December 31, 2015, two requests totaling $0.3 million were approved in accordance with
the Budget Policy. These budget increase requests were fully funded by external funding with net zero cost to the Region. A list of these external funding driven budget increases is included in Appendix 3 (as attached).

4. Summary of Capital Project Activities Impacting Reserves and Reserve Funds

During the six months ending December 31, 2015, there were changes to the estimated cost of 253 projects. The changes fall into three broad categories:

- Projects closed out during the reporting period
- Projects with increased budget requirements (including Council approved increases)
- Projects with reduced budget requirements

The table below provides a summary of the capital activities that impact the reserves and reserve funds during the reporting period.

<table>
<thead>
<tr>
<th>Activity</th>
<th>No. of Projects</th>
<th>Project Net Budget ($M)</th>
<th>Unspent Net Budget/Net Decrease (Increase) ($M)</th>
<th>Return to/(Request from) Reserves ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Internal Reserves DC Reserves</td>
</tr>
<tr>
<td>a) Projects Closed-out</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Supported</td>
<td>138</td>
<td>324.5</td>
<td>35.7</td>
<td>29.2</td>
</tr>
<tr>
<td>Utility Rate Supported</td>
<td>94</td>
<td>200.5</td>
<td>12.9</td>
<td>4.3</td>
</tr>
<tr>
<td>Unallocated</td>
<td>2</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Subtotal</td>
<td>234</td>
<td>526.0</td>
<td>49.6</td>
<td>34.5</td>
</tr>
<tr>
<td>b) Increased Project Requirement*</td>
<td>14</td>
<td>(48.1)</td>
<td>(10.7)</td>
<td>(2.0)</td>
</tr>
<tr>
<td>c) Decreased Project Requirement*</td>
<td>5</td>
<td>92.1</td>
<td>8.6</td>
<td>2.0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>253</td>
<td>570.0</td>
<td>47.5</td>
<td>34.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13.0</td>
</tr>
</tbody>
</table>

Note:

**“Increased/Decreased Project Requirements” represent ongoing work and remain active; the “Project Net Budget” of these projects in the above table refers to the Net Budget before increase or decrease. The $10.7 million increase includes increases totalling $9.6 million for 5 projects that were presented to Council for approval in 2015.

A detailed description of the activities in the previous table is as follows:

a) 234 projects were closed during the reporting period which resulted in $49.6 million being returned to reserves. Projects are closed either because the project has been completed or the project has been stopped/deferred or re-budgeted.

b) There were 14 budget increases resulting in an additional $10.7 million being requested from reserves, including five requests of $9.6 million that were disclosed to Council on a project by project basis over the past six months in accordance with the Budget Policy and nine requests of about $1.1 million under ACPOBE.
c) There were five projects with reduced budget requirements resulting in $8.6 million being returned to reserves as discussed in section 3 (b) of this report.

The aggregate impact of above changes was to return $47.5 million to reserves, a variance of eight per cent from the net budgets of $570.0 million established for these projects. The $47.5 million can be further broken down into $34.5 million returned to internal reserves and $13.0 million to Development Charge (DC) reserve funds. The funds returned to the DC reserve fund helps to reduce the amount of debt required for growth purposes.

5. Reserves and Reserve Funds

a) Create New Sub Reserve and Transfer Funds between Sub Reserves
The Reserve Management Policy delegates authority to staff to create new sub reserve within an authorized reserve category and transfer funds between sub reserves for the purposes of reclassification. For the six-month period ending December 31, 2015, there was no request to create new sub reserve; and two requests to transfer funds between sub reserves was approved under Council delegated authority. Details of the fund transfers between sub reserves are outlined in Appendix 4 (as attached).

b) Required Balance in Rate Stabilization Reserves for Tax and Utility
The Reserve Management Policy requires that the balances of Rate Stabilization Reserves for both Tax Supported programs and Utility Rate Supported programs be maintained within the range of five to ten per cent of respective total operating budgets. Utilization of Rate Stabilization Reserves provides Regional Council with an effective tool to manage risk with tax rates and utility rates. Detailed surplus management activities for both Tax Supported and Utility Rate supported programs will be reported to Council in a report titled “2015 Operating Financial Performance Triannual Report - Year End (Unaudited)” on April 14, 2016.

i) Rate Stabilization Reserves – Tax
The balance of the Tax Supported Rate Stabilization Reserves as at December 31, 2015 is estimated at $186.4 million or 14.7 per cent of the 2016 Tax Supported Operating Budget, which is above the range of five to ten per cent as prescribed in the Reserve Management Policy. This balance does not include any surplus management activities for 2015 year-end position. The excess Tax Rate Stabilization Reserves are retained to partially offset the potential GO Transit liability of $182.1 million. Peel continues to work with other GTAH and Niagara municipalities to resolve this outstanding matter.

In 2015, in a joint municipal report titled “Implementing the Growth Plan: Seeking Provincial and Municipal Alignment to Support a Prosperous Ontario”, municipal CAOs, Commissioner of Public Works, Planning and Finance made a recommendation to the Province that Metrolinx should not be given authority to charge Development Charges for growth related infrastructure and should no longer be permitted to invoice municipalities for costs related to Metrolinx assets.

i) Rate Stabilization Reserves – Utility
Staff has exercised Council’s delegated authority through the Budget Policy, to manage year-end position in Utility Rate Supported program. The balance of the Utility Rate Stabilization Reserves as at December 31, 2015 is estimated at $13.8 million net of deficit management activities for 2015 year-end position, or 3.1 per cent of the 2016 Utility Rate Supported operating budget. The current balance is
below the range of five to ten per cent as prescribed in the Reserve Management Policy. Staff will propose a recommendation to bring the balance to the required level of five per cent to Council in a report titled “2015 Operating Financial Performance Triannual Report - Year End (Unaudited)” on April 14, 2016.”

CONCLUSION

The Budget Policy and Reserve Management Policy provide internal financial controls, administrative rules and delegated authority to staff to manage changes to the operating budget, capital budget, reserves and reserve funds. The policies require staff report activities related to the use of delegated authority to Regional Council at a minimum of twice yearly. This report satisfies the reporting requirements of these policies for the six-month period ending December 31, 2015.

Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

1. Appendix I - Authorization to Reduce Project Budget Requirement
2. Appendix II - Capital Budget Redeployments
3. Appendix III - External Funding – Capital Budget
4. Appendix IV - Transfer of Funds between Sub Reserves

For further information regarding this report, please contact Rob Elliott, extension 2620, rob.elliott@peelregion.ca.
### Authorization to Reduce Project Budget Requirement ($'000)
For the Period of July 1 - December 31, 2015

<table>
<thead>
<tr>
<th>Program</th>
<th>Number of Projects</th>
<th>Project Name</th>
<th>Original Net Budget</th>
<th>Revised Net Budget</th>
<th>Reduced Funds Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>From Reserve Category</td>
</tr>
<tr>
<td>Transportation</td>
<td>1</td>
<td>Resurfacing on Derry Rd East</td>
<td>4,450</td>
<td>3,550</td>
<td>900</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Tax Supported-Capital</td>
</tr>
<tr>
<td>Operations Support</td>
<td>1</td>
<td>Commercial Water Meter Replacement</td>
<td>563</td>
<td>263</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Tax Supported-Capital</td>
</tr>
<tr>
<td>Operations Support</td>
<td>1</td>
<td>Meter Reading Equipment</td>
<td>220</td>
<td>60</td>
<td>160</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Utility Supported-Capital</td>
</tr>
<tr>
<td>Subtotal</td>
<td>3</td>
<td></td>
<td>5,233</td>
<td>3,873</td>
<td>1,360</td>
</tr>
<tr>
<td>Transportation</td>
<td>2</td>
<td>Projects Under Warranty</td>
<td>86,892</td>
<td>79,619</td>
<td>7,273</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Tax/Development Charges</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2</td>
<td>Projects Under Warranty</td>
<td>86,892</td>
<td>79,619</td>
<td>7,273</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td></td>
<td>92,125</td>
<td>83,492</td>
<td>8,633</td>
</tr>
</tbody>
</table>
Capital Budget Redeployments (July 1 - December 31, 2015)

### Unallocated Capital Financing Project Status ($'000)

<table>
<thead>
<tr>
<th>Region</th>
<th>Region Water</th>
<th>Region Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at June 30, 2015</td>
<td>$1,000</td>
<td>$860 (50)</td>
</tr>
<tr>
<td>Previous year's unallocated projects closed and funding returned to reserve</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Less: Reallocations less than or equal to $250,000</td>
<td>$50</td>
<td>$0</td>
</tr>
<tr>
<td>Less: Reallocations over $250,000 (approved by Council reports)</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Balance at December 31, 2015</td>
<td>$950</td>
<td>$810</td>
</tr>
</tbody>
</table>

#### Redeploymenets between Capital Projects

**a. Capital Budget Redeployments from Envelope Projects ($'000)**

<table>
<thead>
<tr>
<th>Program</th>
<th># Projects</th>
<th>Project Name</th>
<th>Amount</th>
<th>Reason for Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>154600 Pavement Management</td>
<td>4,800</td>
<td>Resurfacing of roads projects</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal**

<table>
<thead>
<tr>
<th>Program</th>
<th># Projects</th>
<th>Amount</th>
<th>Reason for Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td></td>
<td>4,800</td>
<td></td>
</tr>
</tbody>
</table>

**b. Capital Budget Redeployments from Under Maintenance Projects ($'000)**

<table>
<thead>
<tr>
<th>Program</th>
<th>Transfer From</th>
<th>Transfer To</th>
<th>Amount</th>
<th>Reason for Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>154103E Under Maintenance Envelope</td>
<td>034040 Airport Road</td>
<td>17</td>
<td>To cover maintenance costs incurred</td>
<td></td>
</tr>
<tr>
<td></td>
<td>024020 Mississauga Road/407</td>
<td>500</td>
<td>To cover a commitment that has resulted in exceeding the budget for Capital Project 024020 and to cover additional costs that will be incurred to repair project deficiencies, which the maintenance holdback will not be sufficient to pay for.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>054245 Dixie Rd/Bovaird Dr</td>
<td>5</td>
<td>To cover the final maintenance cost</td>
<td></td>
</tr>
<tr>
<td></td>
<td>034010 Dixie Road</td>
<td>12</td>
<td>To fund additional work ordered and completed during the warranty period.</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal**

<table>
<thead>
<tr>
<th>Program</th>
<th># Projects</th>
<th>Amount</th>
<th>Reason for Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4</td>
<td>534</td>
<td></td>
</tr>
</tbody>
</table>

**c. Capital Budget Redeployments Between Similar or Dissimilar Capital Projects Within the Same Division ($'000)**

<table>
<thead>
<tr>
<th>Program</th>
<th>Transfer From</th>
<th>Transfer To</th>
<th>Amount</th>
<th>Reason for Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corp Services</td>
<td>127056 HR Data Discovery Solution Implementation</td>
<td>147125 Corporate Information Management</td>
<td>95</td>
<td>Business analytics technology tool now managed under Business Intelligence section of the Information Management Division</td>
</tr>
<tr>
<td>Corp Services</td>
<td>077108 E-Agenda</td>
<td>147113 Corporate Services Technology</td>
<td>34</td>
<td>Redeployment to transfer remaining funds for E-Agenda project (07-7108) back to Corporate Services Technology project (14-7113) E-Agenda project completed</td>
</tr>
</tbody>
</table>
## Capital Budget Redeployments (July 1 - December 31, 2015)

<table>
<thead>
<tr>
<th>Wastemanagement</th>
<th>126510 Landfill Management Abatement</th>
<th>086510 Caledon GWTS</th>
<th>60</th>
<th>To cover over committed expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastemanagement</td>
<td>146570 Site Improvement and Maintenance</td>
<td>156390 WM Facilities SOGR</td>
<td>25</td>
<td>To redeploy $225K from Waste Operations Site improvement and maintenance to new Infrastructure Development State of Good Repair (SOGR)</td>
</tr>
<tr>
<td>Wastemanagement</td>
<td>156570 Landfill Monitoring and Remediation</td>
<td>156390 WM Facilities SOGR</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>5</td>
<td></td>
<td>414</td>
<td></td>
</tr>
<tr>
<td><strong>Total (a+b+c)</strong></td>
<td>14</td>
<td></td>
<td>5,748</td>
<td></td>
</tr>
</tbody>
</table>

**Total Number of Redeployments**: 15
### External Funding - Capital Budget
*(Net Zero Cost to the Region)*
*For the Period of July 1 - December 31, 2015*

<table>
<thead>
<tr>
<th>Program</th>
<th>Project</th>
<th>Project Name</th>
<th>Amount ($'000)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation</td>
<td>034080</td>
<td>Britannia Road</td>
<td>159</td>
<td>To recognize revenue from the Town of Caledon to supply all necessary labour, equipment and material to rout, clean random cracking in asphalt concrete pavement and Region contract administration fee.</td>
</tr>
<tr>
<td></td>
<td>154666</td>
<td>Crack Treatment on Asphalt Roads</td>
<td>101</td>
<td>To recognize recovery from the Town of Caledon for the crack treatment on Asphalt Surface Road in the Region. Supply all the necessary labour, equipment and material to rout, clean random cracking in asphaltic pavement.</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2</td>
<td></td>
<td>$260</td>
<td></td>
</tr>
</tbody>
</table>
## Transfer of Funds between Sub Reserves

*For the Period of July 1 - December 31, 2015*

<table>
<thead>
<tr>
<th>Department</th>
<th>Transfer From</th>
<th>Transfer To</th>
<th>Amount ($'000)</th>
<th>Reason for Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Services</td>
<td>R1258, R1261</td>
<td>R1285</td>
<td>28,117</td>
<td>To merge three Rate Stabilization sub reserves to support the sustainability of Housing stock</td>
</tr>
<tr>
<td>Health Services</td>
<td>R1150</td>
<td>R1901</td>
<td>17,676</td>
<td>Transfer funds between sub reserves within the same portfolio to support the redevelopment of Peel Manor centre</td>
</tr>
</tbody>
</table>
DATE: April 6, 2016

REPORT TITLE: 2016 DEVELOPMENT CHARGE ADEQUACY UPDATE

FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

OBJECTIVE

To inform that at 2.9 per cent, the potential Development Charge (DC) rate increase is below the 20 per cent adequacy threshold established by Council in 2012 to immediately start a DC background study and by-law update.

REPORT HIGHLIGHTS

- Council resolution 2012-949 requires an annual assessment of the adequacy of the DC rates and commencement of a new DC background study and bylaw if the assessment indicates a shortfall exceeding 20 per cent.
- Revised growth-related capital expenditures for the period 2016 to 2031 indicates an increase of 4.2 per cent compared to the 2015 DC Background Study forecast. The impact of this increase in capital expenditure on the DC program is offset by lower forecast interest costs on planned debt.
- Based on actual revenue and expenditure activity in 2015 the DC reserve balances were $122 million lower at the end of 2015 than anticipated.
- The DC adequacy test based on this updated information indicates that the current DC rates would need to be increased by approximately 2.9 per cent to ensure sustainability of the DC program to 2031.
- It is anticipated that the next DC background study will be based on 2041 population and employment forecasts and associated servicing master plans and will also reflect the changes required by the passing of Bill 73, “Smart Growth for Our Communities Act, 2015”.
- On July 9, 2015, Regional Council directed staff to implement a new approach of engagement involving area municipalities and the development community in the land use planning, servicing and financing process.
- A discussion paper on the new approach was received by the Region’s Growth Management Committee on March 3, 2016. Based on the discussion paper, the Growth Management Committee directed that a working group of staff from the Region and area municipalities be established to review the alternative growth financing options and report back to a future meeting of the Growth Management Committee.
DISCUSSION

1. Background

In 2012, Regional Council passed Resolution 2012-949 requiring an annual assessment of the adequacy of DC Reserves and directed staff to commence a new DC background study and provide a one year notice to the development industry, if the assessment indicated a shortfall exceeding 20 per cent.

Regional staff are now reporting on the findings of its latest adequacy review of current DC rates. The 2016 DC Adequacy test is based on the 2031 planning horizon from the Places to Grow Growth Plan Amendment 1 as the infrastructure servicing cost for growth to 2041 has not been determined and is not included in the 2016 Budget capital plan. Those expenditure requirements will be reflected in future capital plans and will be influenced by the Growth Management Committee’s work regarding the allocation of new population and employment forecasts.

2. Findings

Potential Increase in Overall DC Rates: 2.9 Per Cent

The analysis based on the updated capital plan and the most current interest rates and existing reserve balances indicate that an overall increase of 2.9 per cent would be required to existing DC rates to maintain sustainability. This calculated potential increase to DC rates is below the 20 per cent automatic trigger for a new DC background study and by-law.

Drivers of Increase

The drivers of the potential DC rate increase include an increase of 4.2 per cent in the growth-related capital plan over the planning horizon from 2016 to 2031 compared to the forecasts in the 2015 DC background study, lower than forecast reserve balances at the end of 2015, and having one less year in the planning horizon to 2031 over which to recover the costs and bring the reserve balances back to zero by 2031.

DC Expenditures

The forecast capital expenditures over the planning horizon from 2016 to 2031 have increased by $148 million or 4.2 per cent from the forecasts in the 2015 DC background study. The updated expenditures were based on the 2016 capital plan over the planning horizon (2016-2031). This increase in expenditures will now be absorbed over a shorter period since a year has passed in the planning horizon.

The increase was largely driven by higher estimates for the water and wastewater programs, including a strategic investment of an additional $112 million in DC funding for the East-West Sanitary Trunk Sewer Diversion project. This project which will offset the need for other potential future projects such as another diversion project along the Queensway is the subject of a dedicated Schedule C Class Environmental Assessment and has increased in scope.

The 2016 adequacy test also takes into account the changes in timing for capital projects and the impact of lower interest rates. Both of these factors combine to result in a lower requirement for interest associated with debt. Based on the new assumptions interest
expenses included in the 2016 DC adequacy test are $58.7 million lower than over the same time horizon from the 2015 DC Background Study.

**DC Reserve Balances**

DC Reserve balances at the end of 2015 were $122 million lower than anticipated in the 2015 DC Background Study and By-law update. A contributing factor to this was the delay of passing the DC By-law from July to September in 2015.

This reduced reserve balance and higher remaining capital costs from 2016 to 2031 combined with having one fewer year in the model to recoup the costs are all factors contributing to the DC rate change required to sustain financing of DC expenditures over the planning horizon (now 2016-2031). The DC adequacy test rate model combined all these variables and updated assumptions that result in a potential increase of 2.9 per cent for DC rates.

3. **Next DC Background Study and By-Law Update Timing**

On March 3, 2016 the Region’s Growth Management Committee received a discussion paper from the Commissioner of Finance and Chief Financial Officer, Commissioner of Corporate Services and the Commissioner of Public Works, titled “The New Approach to Planning, Servicing and Financing Growth in the Region of Peel”.

Based on the discussion paper, the Growth Management Committee gave direction that a working group of staff from the Region of Peel, the Cities of Mississauga and Brampton and the Town of Caledon be established to review the alternative growth infrastructure financing options, and report back to Growth Management Committee with an agreed upon model for growth infrastructure financing. Through work with the Growth Management Committee, it is anticipated that the next DC background study will be based on the 2041 population and employment forecasts and associated servicing master plans.

It is also anticipated that this expanded engagement work will take place over the balance of 2016 and into 2017. Based on the results of this work, new growth and capital plans to 2041 will be available to inform an update to the DC Background Study and by-law that will commence in late 2017 and result in a new by-law being available for consideration in the second quarter of 2018.

**Bill 73 Impact on Future DC Updates**

After consulting with municipalities and the development industry the Province developed and then passed Bill 73. This bill updated the DC Act. Bill 73 was passed in December of 2015 and the resulting legislative changes came into force on January 1, 2016. Any future update of the DC background study and by-law will need to reflect these changes.

The Bill 73 impact on the Region’s DC rates is driven almost entirely by the new potential to collect DCs for the growth related costs associated with waste management services, which is estimated to result in an additional $30 million to $40 million in revenue. A preliminary estimate suggests that these legislative changes will result in a less than 1 per cent impact on the Region’s DC rates. Given this relatively small impact and the lack of a detailed waste management service inventory required to do a more accurate analysis at this time, these impacts have not been fully reflected in the DC adequacy update rate modelling in this report.
A full description of all the changes to the Development Charges Act (DCA) resulting from Bill 73 that impact the Region was provided to the Growth Management Committee on March 3, 2016.

4. Proposed Direction

Staff will continue to conduct annual reviews on the adequacy of the DC reserves as part of ongoing work to maintain the financial sustainability of the Region. This includes the next expected update to the DC by-law anticipated for the second quarter of 2018.

CONCLUSION

The current DC Adequacy Test that incorporates the 2016 Budget Capital Plan indicates that the potential new DC rates are well below the 20 per cent threshold to automatically trigger a DC update. Despite this, work is already underway to update the DC by-law to reflect a new planning horizon out to 2041 to ensure the financial sustainability of the Region prior to the legislative expiry of the existing DC by-law in October of 2020.

Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Dave Bingham, Treasurer and Director of Corporate Finance at extension 4292 or Dave.Bingham@peelregion.ca.

Authored By: Rebecca Aza
DATE: April 6, 2016

REPORT TITLE: RECOGNIZING EMPLOYEE VOLUNTEER HOURS AND THE 2015 REGION OF PEEL EMPLOYEE UNITED WAY CAMPAIGN

FROM: David Szwarc, Chief Administrative Officer

RECOMMENDATION

That the Region of Peel employees continue to be supported in their contributions to the Region of Peel Employee United Way Campaign and that their ongoing commitment to the Peel community be recognized.

REPORT HIGHLIGHTS

- Region of Peel employees and Peel Regional Police dedicate many hours to volunteering in our community
- One example is the Region of Peel Employee United Way Campaign which raised $371,075 in 2015, exceeding the $300,000 goal
- Combined funds raised by the Region of Peel Employee United Way Campaign and Peel Regional Police United Way Campaign resulted in a total contribution to the United Way of Peel Region of $436,138
- The 2015 Region of Peel Employee United Way Campaign was once again honoured with the Labour Award of Distinction for the Public Sector, recognizing CUPE 966, ONA, OPSEU 277, OPSEU 280, and UFCW 175

DISCUSSION

1. Background

For more than 35 years, employees of the Region of Peel and Peel Regional Police have raised funds in support of the United Way of Peel Region (UWPR). UWPR works to reduce poverty, prevent poverty and support people in crisis. In 2015, the UWPR provided funds to 54 community agencies that deliver 89 services and programs to residents in Peel Region. As shown in Appendix I, the total amount of funds raised for UWPR by the Region of Peel Employee United Way Campaign (Campaign) and by Peel Regional Police over the past ten years is almost $4.5 million.
In 2014, the Region of Peel reviewed its employee Campaign to explore how to optimize funds raised for UWPR while managing campaign costs. The review resulted in changes to the employee Campaign including:

- Shortening employee Campaign pledge period to six weeks;
- Streamlining Campaign governance to reduce number of employees involved in running the Campaign;
- Reducing the number of annual Campaign-dedicated Chairs from four to two
- Discontinuing the 5K Run, Walk and Roll; and
- Working with UWPR to transition responsibility for the Golf Tournament to another organization.

2. 2015 Campaign Objectives and Strategies

The main objectives of the 2015 Campaign were to:

- Raise $300,000;
- Increase the number of employee pledges overall by 15 percent;
- Increase the number of employees donating at the leadership level of $1000.00 by 15 per cent;
- Increase the number of unionized employee pledges; and
- Strengthen social conscience among employees.

In addition to the traditional employee campaign kick-off events, fundraising and awareness raising efforts, in 2015 staff working on the Campaign employed numerous new engagement and awareness raising strategies, for example:

- Increased Campaign collaboration between Region of Peel and Peel Regional Police, including co-hosting an employee event to address myths and facts about the UWPR;
- A “thank you” lunch for employees donating at the leadership level; and
- Production of an employee-focused video which highlighted Region of Peel employees as everyday heroes.

3. Campaign Achievements

Highlights of 2015 Campaign achievements are as follows:

- The Region of Peel Employee UW Campaign raised $371,075, exceeding the $300,000 goal. Year over year from 2014:
  - The number of employees pledging increased by six percent to 1,325;
  - The number of employees pledging at the leadership donor level increased by eight percent, from 51 to 55;
  - Total funds raised per employee increased by six dollars, or eight per cent; and,
  - The golf tournament raised more than $100,000 for the Campaign.
- Combined funds raised by the Region of Peel employee UWPR Campaign and Peel Regional Police UW Campaign resulted in a total contribution to the UWPR of $436,138;
- The 2015 Region of Peel employee Campaign was once again honoured with the Labour Award of Distinction for the Public Sector, recognizing CUPE 966, ONA, OPSEU 277, OPSEU 280, and UFCW 175. This award is presented to a workplace
2015 REGION OF PEEL EMPLOYEE UNITED WAY CAMPAIGN

and its union members that have demonstrated a commitment to community and to furthering the values shared by the United Way.

4. Employee Committee

The success of the employee Campaign is attributed to the commitment and efforts of employees from across the organization. Core Committee members and United Way Champions organize events and secure pledges from their peers. The 2015 Campaign Chairs were:

Co-Chairs: Grace Gyles, Human Services
              Kelly-Anne Salerno, Human Services
Vice-Chair:  Judy Labelle, Health Services
Leadership-donor Co-Chairs: Dave Bingham, Finance
                          Sue Ritchie, Human Services

The two Co-Chairs are seconded to the campaign for 8 months of the year. Other staff volunteered a total of 1100 hours to ensure campaign success. The total cost to run the United Way Campaign is $185,000.

5. Recognizing Other Ways Region of Peel employees and Peel Regional Police Volunteer

The social responsibility mindset of employees from both the Region of Peel and Peel Regional Police is demonstrated in many ways beyond the UW campaign. For example, in 2015, Peel Paramedic Services employees lead a corporate-wide ‘toy and diaper drive’ to benefit children in the care of Peel Children’s Aid and in Peel hospitals. Peel Paramedic employees also raised funds and awareness for causes including breast cancer, prostate cancer, and ‘Dreams Take Flight,’ a wish-granting initiative for terminally-ill children. Peel Regional Police lead a ‘Toys for Tots’ campaign and ‘Cops for Cancer’ event in 2015. In addition, many Region of Peel employees spend their personal time volunteering and offer financial support privately within their home communities. These socially conscious commitments are acknowledged for the benefits they add to the well-being of the workplace and the community at large.

CONCLUSION

As a result of the participation and generous contributions made by Regional employees, the 2015 Region of Peel Employee United Way Campaign raised $371,075. When combined with funds from Peel Regional Police, a total of $436,138 was raised for the United Way of Peel Region.

Employees’ are applauded for their ongoing commitment to the United Way as well as their involvement in other volunteer opportunities across Peel.

David Szwarc, Chief Administrative Officer
APPENDICES
Appendix I – Fundraising Totals 2006—2015

For further information regarding this report, please contact Aileen Baird, Director, Office of the CAO, Ext. 1898, aileen.baird@peelregion.ca.

Authored By: Judy Labelle
## Combined Fundraising Totals 2006 to 2015

Region of Peel Employee’s United Way Campaign  
and  
Peel Regional Police United Way Campaign

<table>
<thead>
<tr>
<th>Campaign Year</th>
<th>Combined Total Funds Raised</th>
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</thead>
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<tr>
<td>2006</td>
<td>$374,559</td>
</tr>
<tr>
<td>2007</td>
<td>$371,814</td>
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<tr>
<td>2008</td>
<td>$437,626</td>
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<tr>
<td>2009</td>
<td>$450,998</td>
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<tr>
<td>2010</td>
<td>$510,985</td>
</tr>
<tr>
<td>2011</td>
<td>$519,748</td>
</tr>
<tr>
<td>2012</td>
<td>$492,979</td>
</tr>
<tr>
<td>2013</td>
<td>$431,601</td>
</tr>
<tr>
<td>2014</td>
<td>$466,028</td>
</tr>
<tr>
<td>2015</td>
<td>$436,138</td>
</tr>
<tr>
<td><strong>10-Year Total</strong></td>
<td><strong>$4,492,476</strong></td>
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DATE: April 6, 2016
REPORT TITLE: UPDATE ON THE REGION OF PEEL’S ENERGY AND ENVIRONMENT SUSTAINABILITY STRATEGY
FROM: Lorraine Graham-Watson, Commissioner of Corporate Services
Stephen VanOfwegen, Commissioner of Finance & Chief Financial Officer

RECOMMENDATION

That the Energy Commodity Procurement Policy as outlined in Appendix I of the report, from the Commissioner of Corporate Services and Commissioner of Finance & Chief Financial Officer titled, “Update on the Region of Peel’s Energy and Environment Sustainability Strategy” be approved.

REPORT HIGHLIGHTS

- Corporate greenhouse gas emissions in 2014 are down 47,866 tCO2e from 1990 levels which is equivalent to an 11 per cent reduction.
- The Region is on track to meeting its short-term goal to reduce GHG emissions by 20 per cent below 1990 levels by 2020.
- The Region has updated its Energy Commodity Procurement Policy.
- Hedging agreements for electricity and natural gas mitigated $503,700 of risk to the Region in 2015 by securing fixed energy procurement costs.
- The Region of Peel is compliant with the Municipal Act’s Ontario Regulation 653/05 and the Green Energy Act’s, Ontario Regulation 397/11.

DISCUSSION

1. Background

Endorsed by Regional Council in 2013, the Energy and Environment Sustainability Strategy (EESS) serves as the Region’s Enabling Strategy for energy conservation and greenhouse gas reduction. The EESS has three guiding goals:

1. To reduce corporate greenhouse gas (GHG) emissions to 80 per cent below 1990 levels;
2. To ensure sustainable energy procurement; and,
3. To ensure regulatory compliance.

On June 13, 2014, Council received an update on the status of the EESS. This report highlighted that the 2010 GHG emissions inventory had been revised to include emissions from annual municipal solid waste; the Region’s 2012 corporate emissions had trended
down to 7 per cent below 1990 levels; and, the Region’s short term corporate GHG reduction goal is 20 per cent below 1990 levels by 2020. Moving forward the strategy will continue to support the current Term of Council Priority 5, which is to adapt to and mitigate the effects of climate change.

2. **Energy and Environment Sustainability Strategy Goals:**

   **Goal #1: To reduce corporate Greenhouse gas (GHG) emissions to 80 per cent below 1990 levels**

   The Region of Peel has committed to reducing GHG emissions to 80 per cent below 1990 levels by 2050 and has set a short-term GHG reduction target of 20 per cent below 1990 levels by 2020. Using the Region’s Corporate Greenhouse Inventory staff monitors the Region’s progress in attaining these goals.

   **GHG Emissions and Targets**

   The original 2010 corporate GHG emissions inventory was developed by SENES Consultants Limited (SENES). They followed the internationally accepted ICLEI protocol which tabulates emissions that are emitted from the consumption of energy, fleet fuels, and the decomposition of municipal waste. Updated corporate inventories have followed the same methodology.

   The inventory is dependent on the GHG emission conversion factors provided through Canada’s National Inventory Report. At the time of this report the 2013 emissions factors were most recently published, therefore, it is likely that the Region’s emissions should be slightly lower in 2014 due to a cleaner electricity grid in Ontario.

   **Results**

   In 1990 annual Corporate GHG emissions amounted to approximately 444,092 tonnes of carbon dioxide equivalent (tCO2e), in 2014 this number was reduced to approximately 396,226 tCO2e. This is a reduction of 47,866 tCO2e, an 11 per cent GHG emission reduction below 1990 levels.

   The Region of Peel’s 2020 target to reduce GHG emissions to 20 per cent below 1990 levels is anticipated to be met via the passive degradation of closed landfills, and the continued ‘greening’ of the electricity grid, along with initiatives put in place by the Region to increase waste diversion, improve energy conservation in regional buildings, and allow for more efficient vehicles and equipment.

   The sources of corporate greenhouse gas emissions are waste, buildings and streetlights, and fleet and equipment. Chart 1 notes that the primary source of emissions is associated with waste degradation, followed by building and streetlights, and fleet and equipment.
Waste

The largest stream of GHG emissions within the Region of Peel is municipal solid waste, accounting for 311,927 tCO₂e. Waste GHG emissions originate from newly generated municipal solid waste (MSW), compost, closed landfill emissions, and wastewater. In 2014, closed landfills were responsible for 186,112 tCO₂e. Over time this number will reduce significantly as the waste in closed landfills degrades. The gradual reduction of GHG emission from closed landfills, in addition to waste diversion, which includes composting and anaerobic digestion, will be significant contributors to the Region achieving its 2050 GHG reduction target.

Buildings & Streetlights

Buildings and Streetlights are the Region of Peel’s second largest contributor to GHG emissions with just over 16 per cent of the organization’s total emissions, 64,473 tCO₂e annually in 2014.

With the closing of Ontario coal plants, emissions from electricity generation were reduced by 43 per cent in 2014. However, this reduction was partially offset due to a 28 per cent increase in natural gas use largely due to the 2014 polar vortex that led to extreme cold temperatures.

The Region of Peel has also been proactive in addressing these GHG emissions through energy conservation and renewable energy measures.
Fleet & Equipment

In 2014 the Region of Peel’s fleet emitted 19,826 tCO2e annually. To address these emissions the Region has taken the following steps;

- right sizing of fleet vehicles,
- using anti idle mechanisms in some applications,
- use of B20 biodiesel in some vehicles which reduced regular diesel emission by 20 per cent,
- utilizing hybrid vehicles where appropriate,
- exploring plug-in electric vehicles.

Goal #2: To ensure sustainable energy procurement

A variety of initiatives have been implemented by the Region of Peel that support environmentally and financially sustainable energy procurement.

The Region has supported sustainable energy sources through the implementation of energy generation projects such as solar photovoltaic systems, biogas co-generation, and hydro turbine installations. By producing clean energy for the electricity grid the Region helps ensure that the energy consumed by the corporation and our community is coming from sustainable sources.

To mitigate risk associated with purchasing energy on the spot market, the Region procures energy, both electricity and natural gas, via fixed price hedge transactions. This is done in compliance with Municipal Act, 2001, Ontario Regulation 653/05.

In 2015, the Region purchased hedges for 20 per cent of electricity and 85 per cent of natural gas demand. These hedges allow the Region to mitigate price fluctuations that occur in energy markets. Table 1 represents cost avoidance during periods where spot market prices exceeded the fixed price hedges.

Table 1: 2015 Hedge Transactions

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Hedge Transaction Fee</th>
<th>Cost Avoidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electricity Hedge</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantity 4</td>
<td>$105,120</td>
<td>$324,190</td>
</tr>
<tr>
<td><strong>Natural Gas Hedge</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4 with Empress, 4 with CDA)</td>
<td>$23,639</td>
<td>$36,761</td>
</tr>
<tr>
<td><strong>Combined Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>$128,759</td>
<td>$360,951</td>
</tr>
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</table>

In 2015, an interdepartmental Energy Commodity Procurement Working Group (‘Working Group’) was formed to provide feedback on the Region’s energy procurement policy. The first action of the Working Group was to update the Region’s Energy Commodity Procurement Policy. The goal was to provide additional clarity on energy
procurement objectives, responsibilities, and reporting requirements, as per the Municipal Act 2001, Ontario Regulation 653/05.

The objectives of this policy are to establish commodity price hedging agreements that:

- Ensure regulatory compliance,
- Provide financial flexibility, and
- Maximize procurement opportunities.

The achievement of these objectives would be guided by the Region’s risk tolerance for energy commodity procurement.

The Policy provides direction on the use of energy commodity price hedging agreements to fix the price for a portion of electricity and natural gas supply, and related transportation, delivery, and storage costs. Subsequent hedging strategies for electricity and natural gas are to be aligned with the Region’s risk appetite and tolerance. Council will be apprised of the hedges performance through an annual report by the Treasurer and Director of Corporate Finance. Additionally, the Policy provides direction for the following subjects:

- Applicable by-laws, legislation and Regional strategies
- Partnership agreements with other public sector entities
- Energy Commodity Procurement Working Group
- Regional facilities operated by third parties
- Control measures for market and demand risks
- Control measures for financial risks
- Standard of care (ethics and conflicts of interest, commodity price hedging agreement acquisition, delegation of authority, requirements for outside advice and financial payments).

The staff Working Group will provide a financial and risk perspective to energy procurement.

The oversight of the policy and subsequent actions will be the responsibility of the Director of Real Property Asset Management, the Treasurer and Director of Corporate Finance, and the Energy Commodity Working Group.

Staff is seeking Council's approval of the Energy Commodity Procurement Policy.

**Goal #3: To ensure regulatory compliance**

The Municipal Act, 2001, Ontario Regulation 653/05 and the Green Energy Act, 2009 Ontario Regulation 397/11, are two Provincial regulations with strong links to the EESS. The Municipal Act, Ontario Regulation 653/05 requires municipalities to provide a statement on the performance of their hedges. While Green Energy Act, Ontario Regulation 397/11 requires municipalities to create and update a five year Conservation and Demand Management Plan and report annually on the Region’s corporate energy consumption and associated greenhouse gas emission.

A statement from the Treasurer noting the current standing of the Region’s energy hedges has been provided in the report's Financial Implications section, this is in
addition to the energy hedge performance summary provided within Goal 2 of this report. This content has allowed the Region to fulfill the regulatory compliance obligations of the Municipal Act, 2001.

In 2014, the Region created Conservation and Demand Management Plan which fulfilled this requirement of the Green Energy Act, 2009. The Region has also maintained compliance with the Act’s annual Energy Consumption and Greenhouse Gas Emissions Report requirement. By completing these exercises the Region of Peel has fulfilled the regulatory compliance obligations of the Green Energy Act, 2009.

3. Next Steps

- Once risk tolerance is established, complete an Energy Procurement Strategy to be approved by the Working Group.
- Continue to work closely with ‘Adapt to and Mitigate the Effects of Climate Change’ Term of Council Priority Committee.
- Prior to July 1, 2017, submit energy consumption and greenhouse gas report to Province to ensure compliance with Ontario Regulation 397/11.

FINANCIAL IMPLICATIONS

The Region of Peel has entered into hedges to mitigate risks of energy rate volatility. In 2015, there were numerous risks that could cause energy rates to fluctuate, specifically, the uncertainty of high electricity and natural gas rates in the 2015 winter season following the previous year’s Polar Vortex; North American natural gas supply/storage levels were at historic lows; and the uncertainty of the nuclear fleet refurbishment in Ontario. Based on these risk factors it was expected that the Region would spend $2,750,640 on electricity hedges and $2,871,911 on natural gas hedges. The actual electricity and natural gas hedges were purchased at a lower rate resulting in a reduction of $127,020 and $41,031, respectively.

The completion of these hedge transactions resulted in a cost avoidance of $324,190 for the electricity budget and $36,761 to the natural gas budget. The transactional fees for the electricity and natural gas hedges were equal to $105,120 and $23,639, respectively.

CONCLUSION

Progress on the Region of Peel’s Energy and Environment Sustainability Strategy continues to be achieved through the tracking and reducing GHGs, procuring energy in an environmentally and financially sustainable manner, and maintaining regulatory compliance obligations.

Lorraine Graham-Watson, Commissioner of Corporate Services
10.7-7
REGION OF PEEL’S ENERGY AND ENVIRONMENT SUSTAINABILITY STRATEGY UPDATE

Stephen VanOfwegen, Commissioner of Finance & Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

Appendix I: Energy Commodity Procurement Policy

For further information regarding this report, please contact Jeremy Schembri, Acting Manager, Business and Energy Services, ext. 4027, jeremy.schembri@peelregion.ca.

Authored By: Jeremy Schembri

Reviewed in workflow by:

Financial Support Unit
Legal Services
A. PREAMBLE

The improvement of budget stability and accuracy requires actions that enable The Regional Municipality of Peel to mitigate risks from volatile markets and achieve manageable Commodity costs. Price volatility on Commodities purchased by the Region presents both a budgeting challenge and a financial risk. Maintaining an active Commodity portfolio and risk management strategy requires constant market presence, the ability to make sound and timely purchasing decisions, and flexibility to move between fixed Hedges and Spot Markets instantaneously. The Energy Commodity Procurement Policy addresses these challenges and supports the financial objectives of the Region.

Commodity price Hedging Agreements provide price stability and cost certainty by fixing some portion of the future Commodity price. It would enable the Region to secure favourable pricing for Commodity purchase commitments where other means, such as long-term contracts, are not practicable.

B. PURPOSE

The Energy Commodity Procurement Policy outlines the framework and guidelines for the supply of a Commodity procured through price Hedging Agreements by The Regional Municipality of Peel. It establishes objectives, responsibilities, and reporting requirements for the prudent use of Hedging Agreements; in accordance with Municipal Act 2001, Ontario Regulation 653/05 (O.Reg. 653/05).

C. SCOPE

All financial commitments for the purpose of fixing future prices through Commodity price Hedging Agreements, including related agreements that are entered into by the Region, its boards and subsidiaries, and by Regional staff responsible for the control, implementation, management and purchase of Hedging Agreements.

D. DEFINITIONS
1. Commodity – shall be consistent with the definition of applicable legislation, and in the context of this Policy, shall refer to electricity and natural gas Commodities.
2. Forward Markets – an exchange where Commodity price Hedging Agreements, such as those for electricity and natural gas, may be purchased or sold.
3. Hedge or Hedging Agreement – a financial commitment to acquire a specified quantity of the Commodity, at a specific fixed price or fixed range of prices, at some future point or period in time.
5. Other Commodities – refers to commodities other than electricity and natural gas that will be subject to Commodity price Hedging Agreements, duly approved by Regional Council, including, but not limited to chemicals and fuel oils.
6. Policy refers to the Energy Commodity Procurement Policy.
7. Region or Regional Corporation or Region of Peel – refers to The Regional Municipality of Peel.
8. Regional Council or Council refers to the Council of the Regional Municipality of Peel.
9. Risk Appetite - The level of uncertainty an organization is willing to assume in the pursuit of its objectives and outcomes.
10. Risk Tolerance – the limit of the organization’s capacity for taking risks.
11. Target Prices – the unit price of the Commodity, such as electricity prices in dollars per megawatt-hour ($/MWh), or natural gas prices in cents per cubic meter (cents/m³), that the Region would be willing to transact Hedging Agreements in the Forward Markets, at or below the Target Prices.
12. Spot Market – refers to a deregulated, open and competitive Commodity market, such as the electricity and natural gas market.
13. Supplier, Vendor, Agent or Consultant – refers to an entity(ies) or organization(s) acting on behalf of the Region to provide advice on Forward Markets, pricing and Hedging strategy, and/or facilitate the execution of Commodity Hedging Agreements and transportation agreements and transactions.
E. OBJECTIVES OF THIS POLICY

The primary objectives of the Energy Commodity Procurement Policy are as follows, in the order of their priority:

1. **To adhere to legislative or statutory requirements** – A Commodity price Hedging Agreement may only be undertaken by the Region if the agreement is in compliance with the relevant provisions of the *Municipal Act, 2001*, and all implementing rules and regulations thereunder.

2. **To promote financial flexibility** – The Commodity price Hedging program will be managed in such a manner consistent with other management and financial objectives in efforts to support budget stability for the Region.

3. **To maximize procurement opportunities** – The Commodity price Hedging Agreement is a mechanism for alignment to the Region’s Risk Appetite, adapting to the volatility in the Commodity markets, by establishing appropriate levels of certainty for future prices, without compromising the other Policy objectives.

F. AUTHORIZED COMMODITIES FOR PRICE HEDGING

For purposes of this Policy, Commodities that may be subject to Hedging Agreements are as follows:

i. Electricity
ii. Natural Gas

Other Commodities used by the Region may be Hedged, subject to approval by Regional Council.

G. POLICY

1. **Applicable By-Laws, Legislation and Regional Strategies**

Regional staff decisions, strategies and actions under this Policy shall be governed, guided by and in compliance with the following:
i. Ontario Regulation 653/05 (Debt-Related Financial Instruments and Financial Agreements), with regards to Commodity Price Hedging Agreements;

ii. Purchasing By-law 113-2013 of the Region of Peel and any amendments thereof;

iii. Document Execution By-Law 39-2001 of the Region of Peel as amended;


2. Use and Award of Commodity Price Hedging Agreements

Pursuant to Ontario Regulation 653/05, The Regional Municipality of Peel will consider entering into Commodity price Hedging Agreements as a means of fixing, directly or indirectly, or enabling the Region to fix the price or range of prices to be paid by the Region for the future delivery of some or all of the Commodity or the future cost of the municipality of an equivalent quantity of the Commodity, as well as long-term contracts for Commodity transportation, delivery and/or storage to achieve the goal of this Policy and ensure stability and cost effectiveness of supply.

Contracts with Vendors or Suppliers for Commodity Hedging will be awarded on a competitive basis in accordance with the Region’s Purchasing By-law and procedures.

3. Establishing Energy Commodity Hedging Procurement Risk Tolerance

The Risk Tolerance for energy Commodity procurement will be set by the Working Group in alignment with Council’s established Risk Appetite. This will inform the proportion of the Commodity to be Hedged. The Risk Tolerance will be reviewed annually or more frequently should the markets experience significant change.

4. Partnership Agreements with Other Public Sector Entities
The Region may enter into partnership agreements within the public sector if it is anticipated that such agreements can achieve better financial benefit to the Region through bulk purchases. Partners may include other municipalities, universities, schools, hospitals, or buying groups organized by municipal or housing organizations such as the Housing Services Corporation (HSC) or the Association of Municipalities of Ontario (AMO).

In the latter case, the “buying group” may act as an Agent for the Region, including executing Hedge transactions on behalf of the Region, provided they follow specific parameters established through section G.(3) above.

5. Staff Energy Commodity Procurement Working Group

The Energy Commodity Procurement Working Group (Working Group) will ensure the stewardship and effective governance of the Commodity Hedging Agreements, procurement practices to maintain regulatory compliance, financial flexibility, and maximize procurement opportunities. The Working Group shall also provide guidance and direction on the financial, demand, and market risk tolerance that the Region is willing to take or absorb with regard to electricity and natural gas procured under a price Hedging program, to ensure these are aligned with the risk appetite established by Council.

The Working Group shall be composed of the Region’s Treasurer, the Director of Real Property Asset Management (RPAM), the Director of Purchasing, the Director responsible for Risk Management and the Manager responsible for energy procurement, or any of their respective successor positions. Region’s Executive Leadership Team (ELT) can appoint additional members if deemed necessary.

6. Annual Report to Council on Price Hedging by the Treasurer

Regional Council shall be informed, through an annual statement from the Treasurer, if the actions taken under this Policy comply with regulations and
are prudent and necessary as they relate to the procurement of Hedges for Commodities and the management of associated risks.

7. Regional Facilities Operated by Third Parties

Region owned facilities to be operated by external or third parties shall have risk assessments completed by RPAM staff to determine which party would better handle the risks of energy procurement. Should the assessment show that the Region is in better position to handle the risk, provisions in the agreements or contracts with said third parties should stipulate that the procurement of electricity and natural gas will be the responsibility of the Region.

8. Control Measures for Market and Demand Risks

i. Market Risk – there may be opportunity costs if the price of the Commodity falls below the purchase price in a Hedging agreement. It is a case where the Region could have benefited from the lower cost of unhedged Commodity had the Region not entered into a Hedging Agreement.

While staff involved with the recommendation of a Commodity price Hedging Agreement will be expected to monitor and consider the prevailing trend in market conditions and price of the Commodity, the key benefit of the Hedging Agreement is to ensure financial predictability for the Region. The impending financial loss from a price drop in the Spot Market may be offset by blending existing Hedging agreements with lower price Hedges where available, or by lowering the percentage to be Hedged for the Commodity.

Conversely, if the Spot Market price of the Commodity increases, the Region would realize a net gain on the Hedging Agreement.

ii. Demand Risk – the Region may use less of the Commodity than forecasted, leading to the possibility of excess Hedging. To mitigate

i. Credit Risk or “Counterparty Risk” – exist in the event that the amounts involved in the transactions in the financial Hedge Agreement has risen and the counterparty can no longer fulfill the terms of the agreement. Although default is considered a remote risk, risk control measures will be undertaken prior to entering into a financial Hedging Agreement. Risk control measures shall include, but are not limited to, the following:

   a. Credit exposure limits for the counterparty based on credit ratings and on the degree of regulatory oversight and regulatory capital; if the counterparty’s credit rating falls below BBB (S&P), Baa3 (Moody’s) and/or BBB (low) (DBRS), the Region may demand Adequate Assurance of Performance. “Adequate Assurance of Performance” shall mean sufficient security in form, amount and for the term reasonably acceptable to the Region, and/or being able to provide an unconditional irrevocable letter of credit or prepayment;

   b. In case where the counterparty has no credit rating, a guarantee from the parent corporation (assuming the parent corporation meets the credit rating requirements above).

   c. Ensuring on-going monitoring with respect to agreements.

ii. Competitive Price Risk – a competitive price Hedge Agreement may not be available in the market, or available only at an undesirable price which is beyond the Target Price set by the Region. Staff will continuously monitor the market, and may consider other options such as resetting of Target Prices based on prevailing market conditions, purchasing on the “Spot Market”, or placing financial agreements with multiple counterparties.
10. Standard of Care

All officers and employees responsible for Commodity price Hedging Agreements will follow the standard of care identified in this Policy.

i. Ethics and Conflicts of Interest

All officers and employees involved in the Commodity price Hedging process are expected to abide by the Region’s Code of Conduct. In particular they shall:

a) Refrain from personal business activity that could conflict with the proper execution and management of the Commodity price Hedging program, or that could impair their ability to make impartial decisions;

b) Disclose any material interests in financial institutions with which they conduct business;

c) Disclose any personal financial/investment positions that could be related to the performance of their Commodity price Hedging duties; and

d) Not undertake personal financial transactions with the same individual with whom business is conducted on behalf of the Region.

ii. Commodity Price Hedging Agreements

Commodities to be supplied under Hedging Agreements will be acquired on a competitive basis. The Region may enter into a financial agreement with one or more institutions where apportioning the total of the agreement is expected to confer a financial advantage.

iii. Delegation of Authority

The Director of RPAM, will have responsibility for directing/implementing the activities of the Commodity price Hedging program,
as well as the establishment of procedures consistent with this Policy. Such procedures shall include explicit delegation of authority to persons responsible for Commodity price Hedging activities.

No person shall be permitted to engage in a Commodity price Hedging activity except as provided for under the terms of this Policy. The Director of RPAM, will be responsible for all activities undertaken, and shall establish a system of controls to regulate the activities of staff.

Notwithstanding, the Region may delegate specific authority to an “Agent” of the Region as contemplated under section G.(4.) of this Policy. The authority delegated will be strictly governed by the terms of an agency contract that will be approved by the Director of RPAM, authorized under the Document Execution By-Law.

iv. Requirements for Outside Advice

Regional staff will be expected to have sufficient knowledge to prudently evaluate standard financial agreements or related contracts. However, should in their opinion the appropriate level of knowledge or market intelligence not exist, or as otherwise directed, outside financial, market and/or legal advice will be obtained.

v. Financial Payments

The nature of financial agreements requires that financial transactions, whether disbursements or receipts, will be made to or from financial institutions from time to time during the term of an agreement. Staff will apply the same level of diligence to these transactions as would be expected under the normal operating procedures of the Region. Further, these transactions will be fully disclosed in the annual reporting required under section G. (6.) of this Policy.

H. RESPONSIBILITIES

1. Energy Commodity Procurement Working Group
i. Establish internal control systems including Policies objectives, and plans for Hedges.

ii. Implement a risk-based approach to financial planning and management related to electricity, natural gas, and Other Commodity Hedge procurement programs, thus, ensuring that program objectives and Risk Tolerances are reflected in Hedging procurement practices.

iii. Establish a performance management framework which assists in the monitoring and management of Hedging Agreements.

iv. Review and recommend new Commodities for procurement through price Hedging Agreements, ensuring that Hedging Agreements meet all regulatory requirements.

v. Provide guidance and direction on the financial Risk Tolerance that the Region is willing to accept or absorb with regards to electricity, natural gas and Other Commodities procured under a price Hedging program.

vi. Recommend Target Price ranges and proportion of volumes for Commodity Hedging Agreements.

vii. Review and recommend proposed changes to the Hedging strategy for a particular Commodity.

2. **Director of Real Property Asset Management**

i. Responsible for all administrative matters, as well as direct and implement activities pertaining to fix-price Hedging of electricity and natural gas Commodities under a price Hedging program.

ii. Approve/execute contracts and routine documents for Hedging transactions in accordance with the Region’s Document Execution By-Law required for the purpose of purchasing, securing, transporting and/or delivering Commodities covered under a price Hedging program.

iii. Establish procedures consistent with this Policy, which shall include explicit delegation of authority to persons responsible for Commodity price Hedging activities.
iv. Ensure that written reports are submitted to the Treasurer on a tri-annual basis containing the status and performance of current Hedge Agreements, a list of all active Hedging Agreements to be used at some future time, changes in Commodity Hedging strategies, philosophies, Policies or organization, and other issues or matters related to Hedging.

v. Inform the Treasurer of any contingent payment obligation under a Commodity price Hedging Agreement that, in the opinion of the Director concerned, would result in a material impact for the Region, including agreement termination provisions, variations in the Commodity price Hedging Agreement payment terms, contingent payment obligations, equipment loss, equipment replacement options, guarantees and indemnities.

vi. Procure the services of Vendors, Suppliers, Consultants and/or Agents that can provide market research and market intelligence.

vii. Recommend Target Prices and proportion of Hedged volumes to the Working Group in alignment with the Region’s established Risk Tolerance.

3. Treasurer

i. Present to Council a detailed report on the status of the Hedging Agreements for electricity, natural gas and Other Commodities, in accordance with O.Reg.653/05.

I. PROCEDURES

Regional staff will use the Forward Markets as the first option to acquire Commodities to be supplied under Hedging Agreements, or where the desired pricing is not available in an open market such as the Forward Market, solicit three or more bids, where available.

The supplemental Energy Commodity Procurement Policy Procedures outlines the process related to how the Policy will be implemented, this includes direction for, but not limited to, the following areas;
**CATEGORY:** FINANCIAL MANAGEMENT  
**SUBCATEGORY:** PURCHASING  
**SUBJECT:** ENERGY COMMODITY PROCUREMENT POLICY

- Commodity risk assessments
- Commodity procurement
- Commodity market forecasts

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<th>APPROVAL SOURCE:</th>
<th>Regional Council</th>
</tr>
</thead>
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<tr>
<td>ORIGINAL DATE:</td>
<td>December 21, 2015</td>
</tr>
<tr>
<td>LAST REVIEW DATE:</td>
<td></td>
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<td>LAST UPDATE:</td>
<td></td>
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<tr>
<td>EFFECTIVE DATE:</td>
<td></td>
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<tr>
<td>RESPONSIBILITY:</td>
<td>Energy Services, BES - RPAM, Corporate Services;</td>
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DATE: April 4, 2016

REPORT TITLE: PUBLIC SECTOR NETWORK (PSN) UPDATE AND BUDGET

FROM: Gilbert Sabat, Commissioner of Service Innovation, Information and Technology

RECOMMENDATION

That the Public Sector Network 2016 Operating Budget attached as Appendix II to the report of the Commissioner of Service Innovation, Information and Technology, titled “Public Sector Network (PSN) Update and Budget”, be approved in accordance with the PSN partnership agreement.

REPORT HIGHLIGHTS

- Under the Public Sector Network (PSN) Partnership Agreement, an annual PSN Budget is required to be submitted to the respective municipal Councils of the PSN Partners.
- The Network achieved slightly lower expenses than anticipated in 2015, adding approximately $53,000 to reserve and ending the year with a reserve fund balance of approximately $557,000.
- The 2016 PSN Proposed Budget has no impact on the overall Regional Budget.
- The Reserve Fund balance at the end of 2016 is anticipated at $599,000.
- In accordance with the PSN Partnership Agreement, subscriber revenues are to be applied to offset shared costs for operation and support of the network, thereby reducing the partners’ cost of ownership.

DISCUSSION

1. Background

The fibre optic network, labeled the Private Sector Network, involves the effort of the four municipal agencies operating within the Region of Peel (the Cities of Mississauga, Brampton, Town of Caledon and the Region of Peel). Through years of planning and collaboration, a communications infrastructure capable of providing cost effective, high speed telecommunications has been developed.

Established in 1996, the network is designed to meet the Region of Peel’s growing need to provide an instant flow of data communications between facilities across Mississauga, Brampton and Caledon. In addition to providing operational connectivity between facilities, the PSN is positioned to provide opportunities for additional sites to be added to the network.
a) Public Sector Network Budget

Under the PSN Partnership Agreement, the PSN Steering Committee is required to submit an annual proposed budget and a statement of actual revenues and expenditures for each year to their respective municipal councils for approval. The PSN Steering Committee is comprised of staff representatives from the Region of Peel and each of the three area municipalities in Peel.

Appendix I of the subject report includes a Revenue and Expenditure statement for the year ending December 31, 2015 with commentary on budget variances.

Appendix II of the subject report includes the PSN Proposed Budget detailing the proposed allocation of revenues in 2016. In accordance with the PSN Partnership Agreement, revenues received in 2016 will be used to offset shared costs incurred for operation and support of the network, thereby reducing the partners’ cost of ownership.

b) New Installation / Site Connections

The following is a summary of activities over the last year:

- An additional 34 kilometers of fibre optic cables were installed.
- An additional 40 partner sites were connected (costs associated with partner site connections are covered, by agreement, by the responsible partner organization).
- PSN now consists of 727 kilometers of fibre (over 40,705 strand-kilometers), connecting 580 partner and 18 subscriber facilities, for a total of 598 facilities.
- An additional 10 Regional sites were connected during 2015, including Exchange, Airport and Fernforest Ambulance Stations, Meadowvale Pumping Station, and several Seniors’ Apartments.

c) Current Status

The following is a list of the current number of connections on the PSN Network:
Partner Connections:
- Region of Peel (136)
- Peel Regional Police (16)
- City of Mississauga (152)
- City of Brampton (264)
- Town of Caledon (12)

Subscriber Connections:
- Sheridan College (2)
- William Osler Health Care System (3)
- Trillium Health Partners (9)
- Credit Valley Hospital (3)
- University of Toronto, Mississauga Campus (1)
FINANCIAL IMPLICATIONS

The recommendations in the subject report have no direct financial impact on the Region of Peel. Revenues received from PSN subscribers are used to offset PSN shared operating costs, which would otherwise be borne by PSN partners. Surplus funds are deposited to the PSN Reserve Fund and will be applied as determined by the PSN steering committee in accordance with the established partner agreements. In 2015, the reserve contribution was higher mainly due to fewer repairs than anticipated and lower network upgrade costs.

CONCLUSION

PSN remains an outstanding example of technological innovation and of the benefits derived through co-operation and partnership among Peel municipalities and with the broader public sector in Peel. Access fees from subscribers to the network are now funding a substantial portion of the shared costs associated with network operations while providing a small surplus for future network operations.

Gilbert Sabat, Commissioner of Service Innovation, Information and Technology

Approved for Submission:

D. Szwarc, Chief Administrative Officer

APPENDICES

Appendix I - Public Sector Network, Revenue and Expenditure Statement for 2015
Appendix II - Public Sector Network, Proposed 2016 Operating Budget

For further information regarding this report, please contact Steve Van de Ven, Acting Director, Information Systems and Technology Services, Ext 4451, or at steve.vandeven@peelregion.ca.

Reviewed in workflow by:

Financial Support Unit
### Public Sector Network
### Revenue and Expenditure Statement
### For the Period Ending December 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>2015 Budget</th>
<th>2015 Actual</th>
<th>Variance Inc / (Dec)</th>
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</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sheridan College</td>
<td>82,200</td>
<td>82,200</td>
<td>-</td>
</tr>
<tr>
<td>University of Toronto</td>
<td>6,024</td>
<td>6,024</td>
<td>-</td>
</tr>
<tr>
<td>Trillium Health Centre</td>
<td>64,509</td>
<td>64,509</td>
<td>-</td>
</tr>
<tr>
<td>William Osler Health Centre</td>
<td>62,796</td>
<td>62,796</td>
<td>-</td>
</tr>
<tr>
<td>Credit Valley Hospital</td>
<td>159,458</td>
<td>159,458</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>374,987</td>
<td>374,987</td>
<td>-</td>
</tr>
<tr>
<td><strong>Common Expenses</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cable locate services</td>
<td>180,000</td>
<td>164,952</td>
<td>(15,048)</td>
</tr>
<tr>
<td>One Call Services</td>
<td>35,000</td>
<td>20,716</td>
<td>(14,284)</td>
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<tr>
<td>Maintenance</td>
<td>30,000</td>
<td>30,730</td>
<td>730</td>
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<tr>
<td>Network Upgrades</td>
<td>40,500</td>
<td>13,337</td>
<td>(27,163)</td>
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<tr>
<td>Operational Costs</td>
<td>68,000</td>
<td>71,415</td>
<td>3,415</td>
</tr>
<tr>
<td>Contribution to Reserve Fund</td>
<td>19,551</td>
<td>72,137</td>
<td>52,586</td>
</tr>
<tr>
<td>Other</td>
<td>1,936</td>
<td>1,700</td>
<td>(236)</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td>374,987</td>
<td>374,987</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus / &lt;Deficit&gt;</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Reserve Fund</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance, Jan 1, 2015</td>
<td>$ 469,338</td>
<td>$ 469,338</td>
<td>-</td>
</tr>
<tr>
<td>Contribution from Operating account</td>
<td>19,551</td>
<td>72,137</td>
<td>52,586</td>
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<tr>
<td>Investment Income</td>
<td>-</td>
<td>15,241</td>
<td>15,241</td>
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<tr>
<td><strong>Closing balance - Dec 31, 2015</strong></td>
<td>$ 488,889</td>
<td>$ 556,716</td>
<td>$ 67,827</td>
</tr>
</tbody>
</table>

**Notes:**
1. Revenues on target
2. Lower Cable Locate costs is due to fewer repairs and Ontario One Call rebates.
3. Maintenance costs slightly higher than target.
4. Lower Network upgrade cost due primarily to Bell cost sharing for Hwy 410 Crossings not yet invoiced.
5. Operational costs higher than anticipated due to additional work related to Partnership Agreement renewal.
6. Higher Reserve contribution due to overall lower expenses.
7. Other Items on target.
### Public Sector Network
Proposed 2016 Operating Budget

<table>
<thead>
<tr>
<th></th>
<th>2016 Budget</th>
<th>2015 Budget</th>
<th>Variance Inc / (Dec)</th>
</tr>
</thead>
<tbody>
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<td>Trillium Health Centre</td>
<td>64,509</td>
<td>64,509</td>
<td>-</td>
</tr>
<tr>
<td>William Osler Health Centre</td>
<td>81,906</td>
<td>62,796</td>
<td>19,110 (1)</td>
</tr>
<tr>
<td>Credit Valley Hospital</td>
<td>159,458</td>
<td>159,458</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>394,097</td>
<td>374,987</td>
<td>19,110</td>
</tr>
</tbody>
</table>

| **Common Expenses**  |             |             |                      |
| Cable locate services| 187,000     | 180,000     | 7,000 (2)            |
| One Call Services    | 25,000      | 35,000      | (10,000) (2)         |
| Maintenance          | 23,400      | 30,000      | (6,600) (3)          |
| Network Upgrades     | 45,700      | 40,500      | 5,200 (4)            |
| Operational Costs    | 69,064      | 68,000      | 1,064 (5)            |
| Contribution to Reserve Fund | 42,133 | 19,551 | 22,582 (6) |
| Other                | 1,800       | 1,936       | (136) (7)            |
| **Total Expenses**   | 394,097     | 374,987     | 19,110               |

<table>
<thead>
<tr>
<th><strong>Surplus / &lt;Deficit&gt;</strong></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

| **Reserve Fund**       |             |             |                      |
| Opening balance, Jan 1, 2016 | $ 556,716 |             |                      |
| Contribution from Operating account | $ 42,133 |             |                      |
| **Projected Closing balance - Dec 31, 2016** | **$ 598,849** |             |                      |

**Notes:**

1. Net increase in revenues is due to the addition of new links at William Osler Health Centre.
2. Net decrease in Cable locate costs is due primarily to Ontario One Call new rate structure.
3. Reduction in maintenance costs is due to fewer anticipated repairs.
4. Network upgrade cost includes anticipated fibre relocation at Credit Valley hospital and outstanding payments to Bell for Hwy 410 crossing upgrades in 2015.
5. Operational costs include Network Fibre Management Software Support and Project Management fees.
6. Increase in Reserve contribution reflects the overall net increase in revenues and net decrease in expenses.
7. Other Items include domain registration and legal costs for contract renewal.
DATE: April 6, 2016

REPORT TITLE: IMPLEMENTATION SERVICES FOR OPENTEXT PLATFORM

FROM: Gilbert Sabat, Commissioner of Service Innovation, Information and Technology

RECOMMENDATION

That the contract (Document 2016-146P) to establish a prequalified list of Vendors of Record to provide implementation services for OpenText Platform be awarded to The IQ Business Group, Inc. and Locus Systems Inc. for a period of one year in the estimated total amount of $1,000,000 (exclusive of applicable taxes) in accordance with Purchasing By-law 113-2013;

And further, that authority be granted to award the contract for five optional 12 month periods, based on satisfactory service, performance and pricing, in accordance with the Request for Proposal;

And further, that approval be granted to the Director of Purchasing to increase this contract, in accordance with the document, if actual requirements exceed the estimated quantities, up to the department’s approved budget.

REPORT HIGHLIGHTS

• A prequalified list of Vendors of Record (“VOR Arrangement”) to provide implementation services for the OpenText Platform is required.
• Document 2016-146P was competitively bid and The IQ Business Group and Locus Systems Inc. are recommended for award.
• Under the terms of the Request for Proposal (RFP) the Region may invite new vendors to submit proposals to be added under this VOR Arrangement.
• The objective is to adopt a single platform based technology solutions to meet the Region’s current needs and the ongoing fulfilment of the digital strategy.

DISCUSSION

1. Background

Over the past number of years the approach for technology solutions has greatly evolved in the Region. The Region is moving away from a single technology solution for each business need (point solution) towards a platform based technology that allows for multiple solutions
from a single technology. This approach is proving to be cost effective in that a single technology platform can create efficiencies for the organization related to infrastructure, solution interoperability and transferable staff skills that in turn enable more effective future platform based solution rollouts. The digital services self-model of applying platform solutions to deliver on self-service is one of the key cornerstones that this program will deliver on. Implementation services for the OpenText Platform such as Cordys, EIM, Vignette, and Tempo Box will include but are not limited to: software upgrades, new software implementations (includes third party software implementations), and connectors for cloud based solutions.

In February 2015, Council approved the expansion of the existing platform for Enterprise Content Management (ECM) from OpenText as part of Region of Peel Digital Strategy. The OpenText ECM Platform has been in use by the Region since 2002.

The objective of the RFP is to establish a prequalified list of Vendors of Record that are certified OpenText Partners to provide implementation services for the OpenText platform.

2. Procurement Process

In accordance with Purchasing By-law 113-2013, the process to award this contract was compliant and requires Regional Council approval.

Submissions for the RFP were received from The IQ Business Group and Locus Systems Inc. Both submissions were reviewed and evaluated in two phases by a staff evaluation committee from Service Innovation & Information Technology based on a number of categories including vendor profile, staff experience, proposed approach and methodology.

Upon completion of the technical evaluation, both vendors advanced to the second phase of the evaluation where the Purchasing representative opened pricing envelopes and completed the financial analysis. The rates submitted by both vendors were deemed to be acceptable and represent good value.

Projects to be completed under this VOR Arrangement will result in a second stage selection process which involves the issuance by Regional staff of a Request for Services to one or both vendors describing the requirements of a specific project. Only vendors in the VOR Arrangement will be issued a Request for Services for these projects.

Vendors who respond to the Request for Services will have their responses evaluated by the Region’s Project team for the project, who will select the most suitable vendor(s) to complete the project.

The RFP document includes a provision, at the Region’s discretion, to issue a further Request for Proposal to invite new vendors to submit proposals to be added to this VOR Arrangement, during the term of the Agreement. Vendors will be publicly invited to submit proposals for evaluation.

FINANCIAL IMPLICATIONS

Funding for Region of Peel requirements is available in various departmental program budgets.
CONCLUSION

Staff recommends that the contract for the Supply of Implementation Services for OpenText Platform be awarded to The IQ Business Group, Inc. and Locus Systems Inc. for a period of one year in the estimated total amount of $1,000,000 (exclusive of applicable taxes), and authority be granted to award the contract for five optional 12 month periods, based on satisfactory service, performance and pricing, in accordance with the Request for Proposal.

Gilbert Sabat, Commissioner of Service Innovation, Information and Technology

Approved for Submission:

D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Anne Bersek, Supervisor, extension 4880, anne.bersek@peelregion.ca.

Authored By: Glenda Baylon

Reviewed in workflow by:

Purchasing
From: AMO Communications [mailto:communicate@amo.on.ca]
Sent: February 9, 2016 8:04 PM
To: Lockyer, Kathryn
Subject: Request for council resolutions to support AMO/LAS request for broader municipal investment powers

To the attention of the Head of Council and Council:

The Association of Municipalities of Ontario and LAS ask for your council's support of the attached resolution which asks for the province to change the current Municipal Act investment regulation to allow municipalities to invest consistent with the 'Prudent Investor Standard', if such investments are through the One Investment Program.

The province has recently conferred 'Prudent Investor' status on the City of Toronto to enable them to have greater diversification in portfolio management and asset selection, and we strongly believe that other Ontario municipalities should be granted similar investment powers if their investments are managed through professional investment management options, such as the One Investment Program.

AMO, LAS, and the Municipal Finance Officers Association of Ontario (MFOA) have lobbied the Ministry of Municipal Affairs and Housing for broader investment powers for more than 4 years, with the issue now being considered as part of the Municipal Act review. We however want this change to be made sooner than the completion of the Municipal Act review, and to achieve this we ask for your support of this resolution.

If you have any questions about our request or the attached resolution, please contact Jason Hagan, LAS Program Manager, at jhagan@amo.on.ca or 416-971-9856 x320.

If you have problems opening the attachment(s) please call LAS at (416) 971-9856.

DISCLAIMER: Any documents attached are final versions. LAS assumes no responsibility for any discrepancies that may have been transmitted with this electronic version. The printed versions of the documents stand as the official record.

OPT-OUT: If you wish to opt-out of email communications regarding Investments from LAS please click here.

[Logo] LAS

REFERRAL TO ______________________________ 
RECOMMENDED
DIRECTION REQUIRED \✓ \ ________________
RECEIPT RECOMMENDED ____________________
Sample resolution for municipal councils related to broader investment powers

WHEREAS municipalities are required to invest their reserves in accordance with the Municipal Act, 2001 and Ontario Regulation 438/97 (as amended), which specifically outlines allowable investments;

and WHEREAS to ensure the sustainability and sound stewardship of the municipality’s investments, the municipality is of the opinion that changes should be made to the Municipal Act, 2001 and Ontario Regulation 438/97 (as amended), to allow for the prudent investment of reserves, if those investments are professionally managed and part of a broader investment strategy;

and WHEREAS the Prudent Investor Standard is an industry accepted best practice in effectively managing a portfolio of investments, and the Standard applies to investments, not in isolation, but in the context of the portfolio of investments and as part of an overall strategy, that should incorporate acceptable risk and return objectives suitable to the stakeholders;

and WHEREAS the Province is conferring “Prudent Investor” status on the City of Toronto to enable greater diversification in portfolio management,

and WHEREAS the Association of Municipalities of Ontario (AMO), Local Authority Services (LAS), and the Municipal Finance Officers Association of Ontario (MFOA), have long requested that the Prudent Investor Standard apply to all municipal investments that are invested with The One Investment Program;

and WHEREAS in 2005, municipalities were granted the ability to invest in longer-term corporate bonds and Canadian equity investments via only the One Investment Program, and the One Investment Program has demonstrated strong investment returns for municipalities within these ‘new’ investment sectors;

and WHEREAS the institutional portfolio managers utilized by the One Investment Program recommend that the Prudent Investor Standard approach is a more appropriate approach to investing;

and WHEREAS operating municipal investments under the Prudent Investor Standard is precluded by the Municipal Act, Eligible Investments, in its current form;

THEREFORE BE IT RESOLVED THAT Council support the request of AMO, LAS, and MFOA to amend Ontario Regulation 438/97 (as amended) of the Municipal Act, 2001, to allow municipalities to invest consistent with the Prudent Investor Standard, if such investments are through the One Investment Program.
10.1. **2015 Provincial Review of Municipal Investment, Debt Legislation and Regulation**

Moved by Councillor Groves,
Seconded by Councillor Thompson;

That the proposed changes to the Municipal Act, 2001, described in the report of the Commissioner of Finance and Chief Financial Officer, titled “2015 Provincial Review of Municipal Investment, Debt Legislation and Regulation,” be endorsed;

And further, that the proposed changes be forwarded to the Ministry of Municipal Affairs and Housing for consideration.

Carried 2015-805
DATE: October 13, 2015

REPORT TITLE: 2015 PROVINCIAL REVIEW OF MUNICIPAL INVESTMENT, DEBT LEGISLATION AND REGULATION

FROM: Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

RECOMMENDATION

That the proposed changes to the Municipal Act, 2001, described in the report of the Chief Financial Officer and Commissioner of Finance, titled “2015 Provincial Review of Municipal Investment, Debt Legislation and Regulation,” be endorsed;

And further that the proposed changes be forwarded to the Ministry of Municipal Affairs and Housing for consideration.

REPORT HIGHLIGHTS

- The Province of Ontario is reviewing the Municipal Act, 2001 to ensure municipalities have the tools, powers and flexibility to serve their communities.
- Changes to the Municipal Act, recommended in this report, supports the principles of the Long Term Financial Planning Strategy.
- The recommended changes, should they be put into legislation, will positively impact the Region’s Debt Policy and Investment Policy.

DISCUSSION

1. Background

The Municipal Act, 2001 sets out many of the roles, responsibilities and powers for Ontario's municipalities. To ensure that municipalities have the tools, powers and flexibility to serve their communities the province is required by legislation to review the Municipal Act every five years. As part of the 2015 review, Ontario is seeking input on three themes, accountability/transparency; municipal financial sustainability; and responsive/flexible municipal government. The recommendations put forth in this report support the theme of municipal financial sustainability which considers the effective use of existing financial tools and any barriers that may be preventing municipalities from achieving long-term financial sustainability.
Moving from the province's municipal financial sustainability theme, one of the pillars in Regional Council's approved Long Term Financial Planning Strategy (LTFPS) is financial vulnerability to external funding sources. The recommended changes contained in this report, if put into legislation, are designed to positively impact the Region’s Debt and Investment Policies by increasing our ability to generate own source revenues and thus decrease Peel's financial vulnerability to external funding sources.

The Region of Peel is a member of the Province’s municipal Debt and Investment Committee which contains representatives from municipalities, associations, investment dealers, rating agencies and several provincial ministries. This committee periodically reviews Part XIII of the Municipal Act that deals with financial matters related to debt and investment. Members of this committee have been suggesting changes to Ontario Regulation 438/97: Eligible Investments and Related Financial Agreements and Ontario Regulation 653/05: Debt-Related Financial Instruments and Financial Agreements for several years resulting in the development of the following recommendations.

2. Recommended Changes to the Municipal Act

The following are recommendations supported by Region of Peel staff and some members of the Debt and Investment Committee. All fall within the part of the Municipal Act, 2001, and related regulations noted above.

a) Prudent Investment Standard

The Region of Peel is in favour of the proposed inclusion of the Prudent Investor Standard. This standard sets up a trustee-type relationship where investments are made only in securities that any reasonable individual interested in receiving a good return of income while preserving his/her capital would purchase. This standard does not mandate an individual to possess exceptional or uncanny investment skill. It requires only that the individual exercise discretion and average intelligence in making investments that would be generally accepted as sound.

This standard would benefit the Region, as it would allow for better management of investment returns and risk by properly diversifying the Region's portfolios. This approach would also eliminate the need for the Province to update the list of eligible investments in response to the ever-changing investments landscape, thereby creating a more responsive Act.

We acknowledge that in order for the Prudent Investment Standard to be added to the Act some additional conditions would also likely be required such as:

i. Municipalities must maintain an accredited credit rating minimum of AA. Those municipalities not meeting this requirement would be subject to either the current investment eligibility requirements; additional provincial oversight; or, investments with accredited third parties (e.g. the One Fund).

ii. Where a minimum AA credit rating is achieved, authority for investment oversight be delegated to an Independent Board by the municipality. Where upper-tier municipalities have established such a Board the lower-tier municipalities be provided with options to:
a. create their own independent board (provided the lower-tier meets the requirements of utilizing the Prudent Investor Standard and subject to investment parameters approved by their Council);

b. participate in the selection of and be governed by the advice of an independent board shared with the upper-tier (provided the lower-tier meets the requirements of utilizing the Prudent Investor Standard and subject to investment parameters approved by their Council); and/or,

c. participate within a diversified portfolio that is administered by the upper-tier.

iii. That this standard be applied to all of the portfolios being managed, including those for sinking fund purposes.

b) Alternate Option to the Prudent Investor Standard

Alternative investment options should be considered, if the Prudent Investor Standard is not to be addressed during the 2015 Municipal Act review.

This would provide for greater flexibility in addressing long-term financing of a mix of assets, post-retirement benefits and sinking fund obligations. The types of investments that are recommended for consideration would be large, public-sector investment funds, such as OMERS or Teachers Pension Plan.

c) Eligible Investments

Changes to international banking rules may require Canadian banks to take actions that would negatively impact their credit ratings. While still amongst the safest in the world, under current provincial regulation, a credit rating drop would require municipalities to quickly dispose of Canadian bank debt.

On September 3, 2015, the Province posted a proposed regulatory amendment to Ontario Regulation 438/97. The amendment would lower the minimum credit rating threshold for the institutions from Standard and Poor's "AA-" (or equivalent) to Standard and Poor's "A-" (or equivalent). This amendment would address immediate concerns in the above recommendation and is supported.

d) Sinking Fund Deficits

Currently a municipality is required at year end, to top-up a sinking fund that is in a deficit position. It is recommended that this requirement be amended to allow a top-up over multiple years, particularly in the case of outstanding bond maturities of greater than 10 years.

e) Bond Forward Agreements

Hedging of interest rates on future debt issues is currently limited to a restrictive 180 days. The Region's planning horizon for debt issues is typically 18 – 24 months and budgeting future new debt issue costs over this period would provide greater flexibility to manage interest costs particularly in times when rates are historically low and expected to rise.
CONCLUSION

These recommended changes support the Region’s Long Term Financial Planning Strategy by enhancing and adding to available financial tools and reducing barriers for debt and investment improving the Region’s ability to achieve long-term financial sustainability.

Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer

Approved for Submission:

D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact David Bingham extension 4292 dave.bingham@peelregion.ca
THE REGIONAL MUNICIPALITY OF PEEL

BY-LAW NUMBER 28-2016

A by-law to adopt estimates of all sums required during the year 2016 for the purposes of the Regional Corporation and to provide a general levy and special levies on lower-tier municipalities.

WHEREAS the Regional Corporation is required by Section 289(1) of the Municipal Act, 2001, as amended, S.O. 2001, c. 25 (hereinafter referred to as the "Act") to adopt yearly estimates of all sums required during the year for the purposes of the Regional Corporation, including the sums required by law to be provided by the Regional Council for any local boards of the Regional Corporation;

AND WHEREAS, Section 311 of the Act contemplates that a general upper-tier levy will be raised in each year and that a special upper-tier levy or special upper-tier levies (collectively the "Levy") may be raised in each year on some or all property in the upper-tier municipality rateable for upper-tier purposes;

AND WHEREAS, the Council of the Regional Corporation has chosen to delegate to the councils of the lower-tier municipalities its authority to establish tax ratios for both regional and municipal purposes, in accordance with By-law 4-2016;

AND WHEREAS, such delegation effectively prevents the Council of the Regional Corporation from directing the council of each lower-tier municipality to levy a separate specified tax rate in order to raise the general upper-tier levy and any special upper-tier levy as otherwise contemplated in Section 311 of the Act;

AND WHEREAS, Section 311(11) and (12) of the Act provides that the Council of the Regional Municipality of Peel shall ascertain and by by-law direct what portion of the aforesaid amounts shall be levied against and in each lower-tier municipality, on or before specified dates;

AND WHEREAS, the cost of policing will be allocated so that the Cities of Mississauga and Brampton will be levied for the cost of the Peel Regional Police, with the allocation of costs to be levied on each municipality’s pro rata share of the combined transition ratio weighted assessment for the two municipalities in accordance with the foregoing authority and in accordance with Ontario Regulation 103/09, as amended by Ontario Regulation 119/10;

AND WHEREAS, the Town of Caledon will be assessed the full cost of providing municipal policing services by the Ontario Provincial Police in accordance with the foregoing authority;
AND WHEREAS, the cost of waste management will be allocated to the Cities of Mississauga and Brampton and the Town of Caledon based on the relative lower-tier municipal household counts according to the annual assessment roll data provided by the Municipal Property Assessment Corporation;

AND WHEREAS, the Council of the Regional Corporation has adopted By-law 77-2015 which enacted an Interim Levy against the lower-tier municipalities for the year 2016;

AND WHEREAS, the Council of the Regional Corporation by resolution passed on April 14, 2016 authorized the enactment of this by-law;

NOW THEREFORE, the Council of the Regional Corporation enacts as follows:

1. That a general upper-tier levy in the sum of $481,103,901 be levied against the lower-tier municipalities and that the lower-tier municipalities do pay the following apportionment of that total:

   City of Mississauga  $ 288,681,904
   City of Brampton     163,455,655
   Town of Caledon      28,966,342
   **Total**             **$ 481,103,901**

2. That a special upper-tier levies for Peel Regional Police purposes in the Cities of Mississauga and Brampton and for Ontario Provincial Police purposes in the Town of Caledon in a total amount of $385,076,498 be levied against the lower-tier municipalities and that the lower-tier municipalities do pay the following:

   City of Mississauga  $ 238,041,319
   City of Brampton     134,782,261
   Town of Caledon      12,252,918
   **Total**             **$ 385,076,498**

3. That a special upper-tier levy for waste management purposes based upon the relative lower-tier municipal household counts according to the annual assessment roll data provided by the Municipal Property Assessment Corporation in a total amount of $99,613,720 be levied against the lower-tier municipalities:

   City of Mississauga  $ 56,417,019
   City of Brampton     38,071,559
   Town of Caledon      5,125,142
   **Total**             **$ 99,613,720**
4. That the net consolidated general upper-tier levy and special upper-tier levies against each lower-tier municipality totalling $965,794,119 shall be as follows:

   City of Mississauga $ 583,140,242
   City of Brampton 336,309,475
   Town of Caledon 46,344,402
   Total $ 965,794,119

5. That the lower-tier municipalities shall be entitled to deduct from the consolidated levies in section 4 those monies, excluding interest, previously billed on the Interim Levy pursuant to By-law 77-2015 of the Regional Corporation as follows:

   City of Mississauga $ 284,027,614
   City of Brampton 161,200,424
   Town of Caledon 22,410,122
   Total $ 467,638,160

6. That the balance owing be paid to the Regional Corporation in accordance with the following schedule:

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<th>Due Date to Region</th>
<th>City of Mississauga</th>
<th>City of Brampton</th>
<th>Town of Caledon</th>
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<td>$11,967,140</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$299,112,628</strong></td>
<td><strong>$175,109,051</strong></td>
<td><strong>$23,934,280</strong></td>
</tr>
</tbody>
</table>
7. That any amounts not received by the Region's bank via electronic funds transfer by the due date, or by the Regional Corporation before the close of business on the due date, that being 4:30 p.m., to allow the Region to receive value for the funds on that day, shall bear interest at a rate equivalent to the Region's lead bank's prime rate on the due date plus two percent per annum to a maximum rate of fifteen percent per annum from the date that payment is due to the date that it is received.

8. That the Treasurer is hereby directed and authorized to do all acts necessary to collect these levies.

READ THREE TIMES AND PASSED IN OPEN COUNCIL this 14th day of April, 2016.

________________________  ________________________
Regional Clerk              Regional Chair